German-Southeast Asian Center of Excellence for Public Policy and Good Governance
CPG

Asia in Review

Grasp the pattern, read the trend

No. 52, December/2025, 5

Brought to you by CPG

Dear Reader,

Welcome to the final edition of Asia in Review (AiR) for 2025, providing you — much like the previous 51 issues this year — with the latest events, developments, and trends in domestic politics, international relations, and geopolitics across East Asia, South Asia, and Southeast Asia.

Special greetings are extended to everyone who celebrates the Independence Day of Haiti, Myanmar and Sudan, and the Restoration Day of the Czech Republic and Slovakia this week.

The entire AiR team wishes you a happy, healthy, and successful New Year.

With best regards,

Henning Glaser

Editor in Chief

Webpage: www.cpg-online.de, Facebook: https://www.facebook.com/CPGTU

Main Sections

- Constitutional Law and –Politics, Human Rights and National Security in East Asia
- Constitutional Law and –Politics, Human Rights and National Security in South Asia
- Constitutional Law and –Politics, Human Rights and National Security in Southeast Asia
- International Relations, Geopolitics and Security in Asia
- Announcements

Constitutional Law and –Politics, Human Rights and National Security in East Asia

China: Two new full Generals promoted to lead Eastern and Capital defense commands amid deepening military shake-ups

(ms) China has promoted two senior People's Liberation Army (PLA) officers to the rank of full general, placing new leadership at the helm of the military commands responsible for operations related to Taiwan and the defense of Beijing. The appointments come amid an unprecedented anti-corruption campaign that has removed numerous senior officers and reshaped the upper tiers of China's

military, raising persistent questions about command stability, political loyalty, and internal power dynamics.

President Xi Jinping, who also chairs the Central Military Commission (CMC), approved the promotions of Yang Zhibin, commander of the Eastern Theater Command, and Han Shengyan, commander of the Central Theater Command, according to state media. Full general is the highest rank for officers in active service in China and is awarded sparingly, making each promotion politically sensitive.

The Eastern Theater Command, headquartered in Nanjing, is responsible for military operations involving Taiwan and the East China Sea. It would play the central role in any contingency across the Taiwan Strait, including coercive operations, blockades, or direct conflict. Yang Zhibin's elevation formally confirms him as commander following the removal of his predecessor, Lin Xiangyang, who was expelled from the Communist Party in October for "serious violations of discipline and law."

Lin's dismissal was one of the most consequential episodes in the ongoing purge, as it affected the PLA's most strategically important theater. His sudden fall raised questions about continuity of command and operational readiness, especially given the Eastern Theater's central role in China's Taiwan planning. Yang's promotion appears intended to close that gap, signaling an effort to restore institutional stability while reinforcing political control.

The Central Theater Command, now led by Han Shengyan, is tasked with defending Beijing, Tianjin, and surrounding provinces, as well as safeguarding political and internal security at the heart of the Chinese state. While less visible internationally than the Eastern Theater, the Central Theater is crucial domestically: its leadership is expected to guarantee regime stability during crises, major political events, or wartime conditions.

Han, also an air force officer, previously commanded the Central Theater Air Force and had been entrusted with prominent ceremonial responsibilities, including overseeing a major military parade earlier this year. Such assignments are widely interpreted by analysts as indicators of political trust. Han succeeds Wang Qiang, who was replaced earlier in the year after an unexplained absence from that parade, amid broader leadership upheaval within the PLA. [Anadolu Ajansi] [Defense Ministry, PRC] [South China Morning Post 1]

The sense of ongoing turbulence was reinforced when two of the PLA Air Force's most senior figures—Chang

Dingqiu, the air force commander, and Guo Puxiao, its political commissar—were notably absent from a high-profile ceremony in Beijing led by Xi Jinping to fill vacancies created by the crackdown. State television footage confirmed their absence, prompting renewed speculation about whether the purge is expanding further into the air force leadership.

Chang, 58, has long been regarded as a rising military star and for years was the youngest officer at his rank, including when he was promoted to air force commander in 2021. While no official explanation has been offered for his absence, such disappearances have frequently preceded disciplinary action in past cases, making them a closely watched signal among analysts. [South China Morning Post 2]

China: Removal of senior figures from top advisory body amid widening anti-corruption drive

(mis) China has removed eight members from its top political advisory body, the Chinese People's Political Consultative Conference (CPPCC), including four former executives from major defense-related state-owned enterprises. The move is the latest sign that China's far-reaching anti-corruption campaign continues to reshape the upper ranks of politics, the military and strategically important industries. This decision was endorsed on December 24 by the CPPCC National Committee, according to state media.

The revocations come against the backdrop of an intensified push to tighten discipline across the armed forces and key industrial sectors linked to national security. In China's political system, removal from the CPPCC – rather than a voluntary resignation – is widely interpreted as a serious signal, often preceding or accompanying disciplinary scrutiny. While no formal charges have been announced, several of the individuals had already faded from public view in recent months, according to the South China Morning Post.

The latest moves fit a broader pattern under President Xi Jinping, whose anti-corruption drive has expanded beyond the military command structure to include defense contractors, aerospace firms, electronics groups and energy companies. Dozens of senior generals and executives have been sidelined in recent years, reflecting Beijing's effort to tighten control over sectors seen as strategically vital and politically sensitive.

Those removed from the CPPCC include the following figures and former roles:

Among those dismissed were Cao Jianguo, former chairman of the Aero Engine Corporation of China, a crucial supplier of engines for military and commercial aircraft; Zhang Dongchen, former chairman of China Satellite Network Group, which oversees Beijing's ambitions to build a satellite constellation to compete with Starlink; Zeng Yi, former deputy general manager of Norinco and former chairman of China Electronics Corporation, a major defense and telecommunications producer; and Fan Youshan, a long-time Norinco executive and former senior manager at China Electronics Corporation.

They were joined by Ma Zhengwu, former chairman of China Rong Tong Asset Management Group, which manages assets transferred from the People's Liberation Army; Liu Guoyue, former chairman of China Energy Investment Corporation; Yu Peigen, a veteran of China's nuclear power sector and former chairman of Dongfang Electric Corporation; and Wang Xinghuan, former president of Wuhan University's Zhongnan Hospital who rose to prominence during the Covid-19 outbreak in 2020. [South China Morning Post]

China: Revised foreign trade law passed

(ms) China has passed revisions to its Foreign Trade Law aimed at strengthening Beijing's ability to respond to external economic pressure, align more closely with high-standard global trade rules and support emerging areas such as digital and green trade, state media reported.

The revised law was approved by the Standing Committee of the National People's Congress, China's top legislative body, and will take effect on March 1, 2026.

First enacted in 1994 and amended several times since China joined the World Trade Organization in 2001, the Foreign Trade Law provides the legal foundation for Beijing's trade policy. The latest revision expands and clarifies legal tools available to counter external challenges, including trade restrictions imposed by foreign governments.

The amended law adds language stating that foreign trade should serve China's national economic and social development and help build the country into a "strong trading nation". It also incorporates reform measures such as a negative-list management system

for cross-border trade in services, stronger protection of intellectual property rights and the establishment of a trade adjustment assistance mechanism to stabilise industrial and supply chains.

Chinese authorities said the revisions also focus on supporting new forms of trade, including digital trade and the development of a green trade system, areas seen as increasingly important as global trade rules evolve.

The overhaul comes as Beijing seeks to reduce its reliance on the United States and position itself to meet the standards of high-level trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, which China has applied to join.

The revised law also sharpens the legal basis for government action against private firms when restricting exports or imposing bans, as lawsuits by companies become more common.

China's leadership has increasingly emphasized the role of law in managing trade disputes as geopolitical tensions rise and global supply chains fragment, making legal clarity a priority for policymakers navigating an increasingly contested trade environment. [Asia News Network] [International Service Shanghai] [National People's Congress] [Reuters]

China: Yuan breaks key level as Central Bank sets limits to gains

(ms) China's yuan briefly strengthened past the symbolic level of 7 per US dollar for the first time in more than a year, reflecting growing market expectations that Beijing is willing to allow modest currency appreciation to bolster confidence. The move, however, was quickly followed by official signals that authorities intend to prevent the currency from rising too far or too fast.

The offshore yuan rose as high as 6.996 per dollar after the People's Bank of China set its daily reference rate at the strongest level since September 2024. Investors interpreted the fix as a sign that policymakers were easing resistance to a stronger currency after months of depreciation pressure driven by weak growth and capital outflows.

A stronger yuan can help attract foreign investment, reduce imported inflation, and signal economic

stability at a time when China is seeking to stabilize markets amid slowing domestic demand and ongoing trade tensions with the United States. The break below 7 per dollar, long treated as a psychological threshold, was therefore closely watched by global investors.

Within a day, however, the central bank moved to rein in bullish expectations. In its latest financial stability report, the PBOC said it would guard against "overshooting risks" and guide market expectations while maintaining exchange-rate flexibility. It reiterated its goal of keeping the yuan "basically stable" at a reasonable equilibrium level. [Bloomberg 1] [Bloomberg 2]

China: Beijing eases home-buying curbs as property slump pressures policymakers

(ms) Beijing has further relaxed restrictions on home purchases in the Chinese capital, underscoring mounting concern among policymakers over the country's prolonged real estate downturn and its impact on economic confidence.

Municipal authorities announced that non-local residents without a Beijing household registration will now be eligible to buy homes after one year of consecutive tax payments in the city, down from the previous requirement of two years. Families with more than one child will also be allowed to purchase an additional home in central districts, while minimum down payment requirements for second-home buyers using the housing provident fund have been cut to 25 percent from 30 percent.

The measures follow several months of declining new-home prices in Beijing, a rare development in a city where housing restrictions have long been among the tightest in the country. They also reflect a broader shift in policy thinking as officials seek to stabilize demand in top-tier cities that were once seen as immune to the property slowdown.

China's real estate sector has struggled since a debt crisis erupted in 2021, dragging on growth, consumer sentiment, and local government finances. While authorities have rolled out a series of supportive measures nationwide, the pace and scale of easing in major cities have accelerated as the downturn shows few signs of abating. [Reuters 1]

At the same time, renewed stress at China Vanke has added urgency to policy easing efforts. The state-backed developer, one of China's largest builders, has

narrowly avoided default after bondholders approved short-term grace period extensions on multiple onshore bond repayments. Credit ratings agencies have downgraded Vanke to selective or restricted default, citing its reliance on distressed debt restructuring to manage near-term obligations.

Vanke faces billions of yuan in bond maturities over the coming months and has struggled with weak sales, shrinking cash flow, and tighter financing conditions. Its difficulties are closely watched as a test of Beijing's approach to the property crisis, particularly whether authorities will continue to favor market-based solutions over direct bailouts even for firms with state-linked ownership.

Together, Beijing's easing of purchase restrictions and Vanke's debt challenges highlight the depth of China's property slump. Analysts say the developments point to a cautious but widening effort to prevent further deterioration in the sector while avoiding a return to speculative excesses. [Reuters 2] [The New York Times]

China: Quantum computer achieves milestone in global race

(ms) Chinese researchers have reached a significant milestone in the development of practical quantum computers, marking the first time a team outside the United States has demonstrated a critical threshold needed for reliable, large-scale quantum computing.

A research group at the University of Science and Technology of China (USTC) announced that its superconducting quantum system, Zuchongzhi 3.2, has successfully crossed the so-called fault-tolerant threshold. This threshold represents the point at which error correction stabilizes a quantum system rather than introducing additional errors—a long-standing challenge that has limited quantum computers to laboratory demonstrations.

The findings, published in *Physical Review Letters*, place China alongside Google as the only actors worldwide to have achieved this benchmark. Unlike Google's approach, which relies heavily on complex hardware-based error suppression, the Chinese team used an "all-microwave" control method. Researchers argue that this technique could offer a more efficient and scalable path toward building fault-tolerant quantum machines.

Quantum computers are expected to eventually outperform classical computers in tasks such as

materials modeling, cryptography, and optimization. However, qubits—the fundamental units of quantum computation—are highly unstable and prone to errors caused by environmental interference. Preventing these errors from spreading through a system is widely considered the key obstacle to practical quantum computing. [Global Times] [Quantum Zeitgeist] [South China Morning Post]

China: Vows to stabilize grain output as Xi stresses food security at rural policy meeting

(ms) China will step up efforts to stabilize grain and edible oil production, improve seed technology and raise farm productivity, state media reported, following a key annual meeting that sets priorities for the rural economy.

The pledges were made at the Central Rural Work Conference, held in Beijing from December 29 to 30, according to the state news agency Xinhua. Chinese President Xi Jinping attended the meeting and delivered a speech emphasizing that ensuring a stable food supply remains the top priority in building a "strong agriculture".

Xi said China must rely on its own strength to secure grain supplies, calling agricultural modernization essential to national security, economic stability and long-term development. He urged protection of the country's farmland "red line" of 120 million hectares, expansion of high-standard farmland and faster progress in seed industry revitalization.

The conference said China would roll out new measures to increase grain production capacity, strengthen support for major grain-producing regions and improve income protection mechanisms for farmers, as Beijing seeks to curb reliance on imports amid geopolitical tensions.

China also plans to expand pilot programs to extend rural land-use contracts for another 30 years after current agreements expire around 2027, Xinhua said.

China's total grain output reached a record 714.9 million tons this year, up 1.2 per cent from 2024, according to official data released earlier this month. [China Daily] [IDCPC] [Reuters]

China: Pledges to cap steel output through 2030

(ms) China has pledged to strictly control crude steel production and prevent the expansion of illegal capacity during the 2026–2030 period, signaling a renewed push to rein in overcapacity in the world's largest steel industry amid weak domestic demand and rising international trade tensions.

The commitment was outlined by the National Development and Reform Commission, which said output controls would be a central part of supply-side reform under China's Fifteenth Five-Year Plan. Beijing first capped steel output in 2021 as part of efforts to curb carbon emissions, but the policy has taken on greater urgency as the property downturn has sharply reduced domestic steel consumption.

In the first 11 months of 2025, China's crude steel output fell 4 percent from a year earlier, putting annual production on track to drop below 1 billion tons for the first time in six years. Officials said the industry is facing an "insufficient supply-demand balance," with intensified competition threatening weaker producers.

While domestic demand has slumped, steel exports have remained robust since 2023, partially offsetting losses at home. That export surge, however, has triggered a growing protectionist backlash. An increasing number of countries have imposed anti-dumping duties and other trade barriers, arguing that cheap Chinese steel is damaging local industries.

Against this backdrop, Beijing announced plans earlier this month to introduce an export licensing system from 2026 covering around 300 steel-related products. The move is widely seen as an attempt to ease external trade frictions while reinforcing discipline within the sector. [Anadolu Ajansi] [Reuters] [South China Morning Post]

China: Digital yuan to become interest-bearing in 2026 as central bank steps up push of state-backed e-currency

(ms) Holdings of China's digital yuan will begin generating interest from January 1, 2026, under a new framework aimed at boosting adoption of the central bank digital currency.

Digital yuan balances held in official wallets will earn interest linked to demand deposit rates, marking the

first time a major central bank has made its digital currency interest-bearing. CCTV said the change would move the e-CNY from the era of “digital cash” into one of “digital deposits”.

The move comes as authorities seek to accelerate usage of the digital yuan, which has so far seen limited uptake compared with dominant private payment platforms such as Alipay and WeChat Pay.

China’s central bank, the People’s Bank of China, has reiterated its opposition to cryptocurrencies and stablecoins while intensifying efforts to expand the use of its own digital currency. Last month, the PBOC said it would crack down on illegal crypto-related activities and strengthen oversight of digital payments.

Earlier on December 29, Financial News, a publication run by the PBOC, said the central bank would roll out an action plan covering digital yuan measurement, management, operations and ecosystem development. The framework will take effect at the start of 2026.

The PBOC has also set up an international operations center for the digital yuan in Shanghai to support cross-border use and said it would encourage more commercial banks to participate in e-CNY businesses.

China has been among the earliest movers in central bank digital currencies, launching pilot programs more than a decade ago. However, nationwide adoption has lagged, in part due to the convenience and scale of existing digital payment systems. [Gizmodo] [Global Times] [Reuters]

China: Record maglev test highlights decades-long push toward ultra-high-speed transport

(mis) China has set a new global benchmark in magnetic levitation technology after researchers accelerated a one-tone-class maglev vehicle from zero to 700km/h in under two seconds. The test, carried out on a 400-meter track, was conducted by researchers at the National University of Defense Technology and was broadcast by state media on December 25.

According to official reports, the vehicle reached its peak speed almost instantaneously before braking safely at the end of the line, setting a world record for superconducting electric maglev acceleration. The breakthrough hinges on advances in ultra-high-speed electromagnetic propulsion, electric suspension and guidance systems, high-power energy storage and

high-field superconducting magnets, areas Chinese researchers say are critical for operating at extreme speeds.

Beyond the headline figure, the test is being framed as a strategic milestone. State media and scientists involved described the achievement as placing China firmly among the global leaders in ultra-high-speed maglev technology, while opening new possibilities for vacuum-tube or so-called “hyperloop-style” transport, where reduced air resistance could allow sustained travel at aircraft-like speeds between cities. [China Daily]

The experiment also has implications beyond rail. Electromagnetic acceleration technologies of this kind could be adapted to assist rocket launches, reducing fuel use during lift-off, or to simulate ultra-high-speed flight conditions for aerospace testing. Researchers have pointed to potential cross-fertilization between China’s rail, space and defense research ecosystems. [South China Morning Post]

China: Draft rules to regulate AI with human-like interaction

(ms) China’s cyberspace regulator has issued draft rules for public comment that would tighten oversight of artificial intelligence services designed to simulate human personalities and engage users in emotional interaction.

The proposed measures, released by the Cyberspace Administration of China, would apply to AI products and services offered to the public that present human-like traits, thinking patterns and communication styles through text, images, audio or video.

Under the draft, service providers would be required to warn users against excessive use and intervene when signs of addiction or psychological dependence are detected. Companies would also be expected to assume safety responsibilities throughout the product lifecycle, including algorithm review, data security and personal information protection.

The rules set content and conduct red lines, stating that AI services must not generate material that endangers national security, spreads rumors, or promotes violence or obscenity. [Reuters]

China: Revised aviation law brings drones under formal regulation

(ms) China has revised its Civil Aviation Law to formally regulate unmanned aircraft for the first time, tightening safety oversight as the country's fast-growing drone sector becomes a central pillar of its emerging low-altitude economy.

The amended law, approved by the Standing Committee of the National People's Congress, will take effect on July 1 next year. It introduces mandatory airworthiness certification for entities involved in the design, production, import, maintenance, and operation of drones, closing a regulatory gap as commercial drone use accelerates nationwide. Manufacturers will also be required to assign a unique identification code to each drone.

The overhaul comes as China promotes its "low-altitude economy," covering commercial activities below 3,000 meters, as a national growth driver. Official estimates project the sector to expand to more than CNY 2 trillion (about USD 280 billion) by 2030, up from roughly CNY 1.5 trillion (around USD 210 billion) in 2025.

China previously introduced interim drone rules in 2024, including real-name registration requirements, but oversight has struggled to keep pace with rapid market growth. Authorities say illegal drone flights have disrupted airport operations in several cities, prompting fines and stricter enforcement. [Reuters] [Xinhua]

China: Mega Tunnel in Xinjiang completed to integrate western region better into Eurasian trade routes

(ms) China has opened the world's longest expressway tunnel in the Xinjiang Uygur Autonomous Region, a major infrastructure milestone that underscores Beijing's push to better integrate its western provinces into national and regional trade networks.

The 22.13-kilometer Tianshan Shengli Tunnel, the centerpiece of the Urumqi–Yuli Expressway, cuts through the Tianshan Mountains and reduces travel time between northern and southern Xinjiang by roughly half. Journeys between the regional capital Urumqi and the city of Korla have been shortened from more than seven hours to about three and a half, according to state media.

Chinese authorities have framed the project as part of a broader effort to improve connectivity in Xinjiang, a region that plays a key role in China's overland trade routes toward Central Asia. The expressway links into major national highways and corridors associated with the New Eurasian Land Bridge and the China–Central Asia–West Asia Economic Corridor. [China Daily] [South China Morning Post]

Japan: Record expansionary budget boosts defense and welfare amid mounting debt pressures

(dql) The government has endorsed a record JPY 122.31 trillion (USD 783 billion) draft budget for fiscal 2026, signaling Prime Minister Sanae Takaichi's commitment to expansionary spending to stimulate growth and expand defense capabilities, even as debt levels remain among the worst in the G7. The plan increases outlays for social welfare and rising personnel costs linked to inflation and population aging, while new bond issuance of nearly JPY 30 trillion (USD 192 billion) exposes the country's continued reliance on deficit financing.

Debt-servicing expenses are set to hit an all-time high amid higher long-term interest rates and expectations of further monetary tightening by the Bank of Japan, pushing projected government liabilities to almost twice the size of GDP. Despite these pressures, the Takacihi administration argues the package balances economic support with fiscal discipline, aided by record tax revenue forecasts.

Major spending items include JPY 39.06 trillion (USD 250 billion) for social welfare, reflecting demographic pressures and a record JPY 9.04 trillion (USD 58 billion) for defense, signaling Japan's ongoing security buildup; JPY 1.00 trillion (USD 6.4 billion) are earmarked for emergency reserves, JPY 6.11 trillion (USD 39 billion) for infrastructure upgrades to address aging public facilities, and JPY 2.30 trillion (USD 15 billion) for agriculture and fisheries to stabilize food supply. Tax revenues are expected to hit a fresh high, supporting the government's claim that the budget balances stimulus with fiscal discipline. [The Mainichi]

Politically, the size and shape of the budget were influenced by concessions to opposition parties, as Takaichi's ruling bloc holds only a slim majority in the House of Representatives and remains a minority in the House of Councillors. In particular, the Democratic Party for the People agreed to support the bill in exchange for adopting its flagship proposal to raise the

nontaxable income threshold, aimed at increasing workers' disposable income. [The Japan Times 1]

Record defense budget

The record defence budget of more than USD 58 billion for the next fiscal year is a 9.4 percent increase from the previous one that will end in April. It advances Japan's plan to lift military spending to around 2 percent of GDP. The package strengthens deterrence—widely seen as against China—by prioritizing long-range "standoff" strike capability, coastal defence systems, and unmanned platforms.

More than JPY 970 billion (USD 6.2 billion) is allocated to expand long-range missiles, including JPY 177 billion (USD 1.13 billion) for upgraded domestically produced Type-12 surface-to-ship missiles with an estimated 1,000-km range.

To compensate for shrinking troop numbers and an aging population, the government is also investing heavily in autonomous systems. Around JPY 100 billion (USD 640 million) will fund the SHIELD coastal-defence network, which will deploy large numbers of unmanned aerial, surface, and underwater drones for surveillance and protection, with full rollout targeted for March 2028. Initial deployment is expected to rely partly on imported systems from partners such as Turkiye and Israel. [The Guardian] [Al Jazeera]

Massive boost to chips and AI funding

Meanwhile, the Ministry of Economy, Trade and Industry (METI) will sharply expand support for advanced semiconductors and artificial intelligence in fiscal 2026, lifting funding for these sectors to JPY 1.23 trillion (USD 7.9 billion) — nearly four times last year's level. Overall, METI's budget will rise by about 50 percent to JPY 3.07 trillion (USD 19.7 billion), reflecting the government's drive to strengthen domestic capabilities in strategic technologies amid intensifying U.S.–China competition and supply-chain pressures.

The ministry plans to shift most semiconductor and AI support into the regular annual budget rather than relying on supplemental packages, providing more predictable long-term financing. For chips, the government has earmarked JPY 150 billion (USD 960 million) for the state-backed manufacturer Rapidus, bringing cumulative public investment in the venture to JPY 250 billion (USD 1.6 billion). For AI development, JPY 387.3 billion (USD 2.5 billion) is allocated to build domestic foundation models, expand data infrastructure, and promote "physical AI" applications

integrating robotics and industrial machinery. [The Japan Times 2]

Japan: Government to expand foreign worker intake as ruling party moves to tighten migration oversight

(ay) Japan's government has approved a plan to accept more than 1.23 million foreign workers under two labor migration frameworks by the end of March 2029, reflecting mounting pressure from labor shortages driven by demographic decline. The proposal, presented to an expert panel, sets an upper limit of one million 231,900 workers across a wide range of industries and is expected to receive Cabinet approval in January.

Under the existing Specified Skilled Worker system, Japan plans to accept 805,700 workers in 19 sectors. Manufacturing dominates allocations, with 199,500 workers earmarked for industrial products and 133,500 for food and beverage manufacturing, followed by 126,900 in nursing care. Officials argue these figures reflect realistic absorption capacity, factoring in domestic labor supply and anticipated productivity gains.

A second framework, to be introduced on April one, 2027, will replace the current technical intern model with a new training-oriented system designed to prepare foreign workers to reach specified skilled status within three years. This program would admit 426,200 workers across 17 sectors, led by construction with 123,500 slots, followed by industrial manufacturing at 119,700 and food and beverage manufacturing at 61,400. [NHK World]

Ruling party drafts tighter foreign national policy amid rising intake and security concerns

Concurrently, the ruling Liberal Democratic Party has drafted interim proposals to tighten oversight of policies affecting foreign nationals, reflecting a more security-focused approach as the country prepares to expand foreign labor intake. The recommendations, to be submitted to the government in January, frame immigration management as a national stability issue and call for stricter entry and residency controls, enhanced monitoring of overstayers, and revisions to key residence categories. They also promote greater data integration across ministries — including linking My Number and residence cards — and stronger transparency measures related to foreign land ownership.

Language integration features prominently in the draft, with the LDP urging a more consistent national framework for Japanese-language education after identifying large gaps in support for foreign children and residents. [The Japan Times]

The LDP's approach reflects growing political unease about administrative capacity, social integration, and security implications as foreign residents become more structurally embedded in Japan.

Japan: Subsidy cut and tighter rules planned for mega-solar farms from 2027

(dql) The government plans to scale back support for large ground-mounted solar power projects as part of a new regulatory package aimed at addressing environmental risks, landscape concerns and safety issues linked to mega-solar developments.

The Takaichi administration is considering ending eligibility for major commercial solar farms under subsidy schemes from fiscal year 2027, while maintaining support for existing facilities and household installations and stepping up backing for domestically developed perovskite solar technology.

Officials also signaled plans to widen environmental impact assessment requirements, potentially extending national screening to projects below the current 30-megawatt threshold. [Reuters]

The measures follow disputes over large solar projects near protected areas such as Hokkaido's Kushiro Wetland. [The Japan Times]

Japan: Centralized disaster management agency to be established

(dql) The government has endorsed a policy blueprint to create a new Cabinet-level disaster management agency that will function as a national command center for disaster response, led by the prime minister and overseen by a dedicated minister empowered to issue binding recommendations across ministries.

The move reflects growing concern over the risk of large-scale disasters — particularly potential mega-earthquakes along the Nankai Trough and Japan Trench — and aims to shift the country toward a model that prioritizes prevention, early coordination, and protection of human life. The Nankai Trough and

Japan Trench are the country's most critical mega-earthquake and tsunami risk zones, each capable of producing large-scale, multi-regional disasters. [BBC] [The Guardian]

Planned for launch in November 2026, the agency will be formed by expanding the existing disaster-prevention unit in the Cabinet Office and will be structured around four core functions: policy planning, emergency response, disaster-prevention strategy, and regional preparedness.

The new framework is designed to break down bureaucratic silos, strengthen central leadership during crises, and give the responsible minister a direct channel to advise the prime minister.

The policy also calls for regional disaster bases in high-risk zones beginning in fiscal 2027, recruitment of specialized personnel supported by a new Disaster Prevention Academy, and expanded use of AI, digital tools, and rescue robotics to improve preparedness and recovery capacity. [The Japan News]

Mongolia: Major oil refinery project advances

(dql) Mongolia is advancing construction of its first large-scale oil refinery in Dornogobi Province, financed by a USD 1.7 billion soft loan from India's Exim Bank. The refinery project — being built in four stages — has reached about 50 percent completion, while the associated crude oil pipeline is nearly finished.

Construction is progressing on key processing, power, storage, and auxiliary facilities, while most technical equipment is being manufactured in India. Although the plant is formally scheduled to start operations in 2028 under a bilateral agreement with India, authorities are pushing to bring it online a year earlier.

The refinery is intended to reduce Mongolia's heavy reliance on imported fuel, which currently comes almost entirely from Russia, with a small share from China. Once operational, the refinery is expected to cover roughly half of the country's domestic fuel demand.

The government's main remaining hurdle is securing sufficient crude supply. Officials plan negotiations with PetroChina to address this. [Montsame]

North Korea: Nuclear-powered submarine showcased

(dql/co) North Korea has unveiled new images of what it claims is its first nuclear-powered submarine, with state media portraying the vessel as comparable in size to U.S. Navy attack submarines. [KCNA 1] [KCNA 2]

The photos show Kim Jong Un inspecting the still-unfinished submarine inside a construction facility, suggesting it has not yet entered service. Pyongyang says the boat displaces about 8,700 tons and is central to Kim's plan to strengthen sea-based strike capabilities as part of a broader military buildup launched in 2021. [The Korea Herald]

Given the rapid timeline and scale of progress claimed by Pyongyang, experts are divided over whether Russia is covertly supporting North Korea's efforts to upgrade its submarine fleet, particularly through the transfer of naval reactor technology. [The Korea Herald]

Furthermore, Kim oversaw the launch of long-range strategic cruise missiles, describing the test as a confirmation of the country's nuclear deterrence and counterattack readiness. [France 24]

Kim framed the project as a response to South Korea's pursuit of nuclear-powered submarines — recently encouraged by Washington — arguing that Seoul's program threatens North Korea's security and must be countered with stronger "offensive power." The development comes as Kim intensifies high-profile weapons inspections and industrial site visits ahead of a key ruling party congress expected in early 2026.

Analysts, however, note that Pyongyang has itself fueled regional tensions through repeated weapons development and rejection of dialogue, even as its conventional naval forces still lag behind South Korea's technologically advanced fleet. [CNN]

These developments point to an intensifying undersea arms race on the Korean Peninsula as both North and South Korea move toward acquiring nuclear-powered submarines, a trend shaped in part by shifts in U.S. regional security policy.

South Korea, newly encouraged by Washington to expand its defense role, has launched a government task force and is seeking arrangements for U.S.-supplied naval nuclear fuel (see article in this edition). Seoul argues that nuclear propulsion is necessary to keep pace with North Korea's expanding maritime nuclear capabilities, including submarine-launched missiles and other sea-based delivery systems.

U.S. officials have also signaled expectations that future South Korean nuclear submarines could support wider Indo-Pacific missions, including deterrence against China — a prospect that heightens strategic sensitivities given Seoul's economic ties with Beijing and domestic caution about confronting China directly.

Public opinion in South Korea reflects growing doubts about the credibility of U.S. extended deterrence and rising support for an independent nuclear option, even at the risk of sanctions or alliance costs. Analysts suggest that nuclear submarines could serve as a stepping-stone toward broader nuclear ambitions, despite government denials that Seoul seeks its own nuclear arsenal. [NPR] [SWAMP]

South Korea: Ruling party push through contentious information bill amid opposition boycott and constitutional concerns

(dql) The ruling Democratic Party (DP) has pushed through a controversial revision of the Information and Communications Network Act that penalizes the intentional dissemination of "false or manipulated information," defying a boycott by the opposition People Power Party (PPP) and complaints that the legislation was repeatedly rewritten at the last minute without proper committee review.

The bill — passed 170–3 with four abstentions and only 177 of the 298 lawmakers participating — allows courts to impose punitive damages of up to five times proven losses against media outlets and online creators who intentionally disseminate illegal or deceptive content for profit or to cause harm. Where damages are hard to quantify, courts may award up to KRW 50 million (USD 34,200), and regulators may fine outlets up to KRW 1 billion (USD 684,000) for repeated dissemination of information later judged false.

The vote came after the opposition's filibuster ended and followed another disputed bill establishing special tribunals over alleged insurrection tied to former President Yoon Suk Yeol's 2024 martial law declaration (see AiR No. 51, December/2025, 4).

The bill reflects the ruling party's argument that strong penalties are needed to counter disinformation that has intensified political polarization, particularly after Yoon's short-lived martial law declaration and his promotion of election-fraud narratives on YouTube.

The PPP and other opponents, including journalist groups and civil liberty advocates, counter that the law's vague definitions and reliance on intent-based standards could enable officials or powerful actors to suppress unfavorable reporting and empower platforms to remove content broadly, warning of a wider chilling effect on press freedom and public-interest scrutiny. They called on President Lee Jay-myung to veto the bill. [ABC News]

The PPP, in addition, argued the process violated normal legislative procedure and risked infringing freedoms protected by the Constitution. Independent Assembly Speaker Woo Won-shik also cautioned that revising bills directly on the floor weakens the authority of the Legislation and Judiciary Committee and erodes public trust in parliament.

The Legislation and Judiciary Committee serves as the National Assembly's final legal gatekeeper, reviewing and refining bills for constitutional consistency, legal clarity, and structural coherence before they proceed to a plenary vote.

The confrontation reflects deepening polarization in the 22nd National Assembly, where lawmakers have launched 10 filibusters totaling 535 hours since May 2024. Deputy Speaker Joo Ho-young of the opposition presided over only 33 hours, compared with 502 hours chaired by Woo and the Democratic Party's deputy speaker — figures that underline the breakdown in bipartisan cooperation and the strain on procedural governance. [The Korea Herald 1] [Korea JoongAng Daily]

In the latest development, the Cabinet approved the promulgation of the bill, and another equally contentious bill creating special tribunals to handle cases tied to former President Yoon Suk Yeol's 2024 martial law declaration (see AiR No. 51, December/2025, 4). [The Korea Herald 2]

South Korea: Prosecutors seek 10-year prison term for former President Yoon over martial law charges

(dql/co) South Korea's special counsel sought a combined 10-year prison sentence for former President Yoon Suk Yeol, accusing him of obstructing an arrest warrant and infringing on Cabinet members' constitutional authority during the December 3, 2024, emergency martial law declaration.

The request was made at a closing hearing at the Seoul Central District Court where prosecutors argued that Yoon abused presidential power, attempted to conceal the illegality of his actions, and showed no remorse, warranting a strict sentence to uphold constitutional order. [The Korea Herald 1]

This trial is the first of four trials tied to Yoon's failed martial law bid — one of which centers on alleged insurrection. The Seoul Central District Court is expected to issue a verdict on January 16, two days before Yoon's arrest warrant expires, despite his lawyers' request to wait until the insurrection trial concludes. That trial is slated to finish in early January at the earliest, with a possible verdict around February. [Yonhap News Agency]

Additionally, the trial of main opposition People Power Party lawmaker Choo Kyung-ho, who served as floor leader under President Yoon, began on December 24 on charges that he aided the brief imposition of martial law. Prosecutors allege Choo deliberately disrupted an emergency party meeting that night, causing most opposition lawmakers to miss the parliamentary vote to lift the decree. [ChosunBiz]

Senior army generals disciplined over roles in Yoon's martial law declaration

Separately, the defense ministry has sanctioned several senior military officers for their roles in Yoon's martial law declaration, marking one of the most serious disciplinary actions in recent military history. Four lieutenant generals and one colonel received penalties following a ministry review, with former counterintelligence chief Yeo In-hyeong and former Capital Defense Command head Lee Jin-woo dismissed for breaching legal and professional obligations.

Former Special Warfare commander Kwak Jong-geun was removed from service — a reduced penalty reflecting his cooperation with investigators — while former Army vice chief of staff Koh Hyeon-seok was dismissed over suspected troop mobilization tied to a potential expansion of martial law. A colonel received a two-month suspension for failing to carry out deployment orders.

The sanctions carry significant career and pension consequences and are accompanied by ongoing criminal proceedings, with several officers' cases transferred to the Seoul Central District Court under a special counsel probe. Additional investigations into other commanders remain underway. [The Korea Herald 2]

South Korea: Police widen Unification Church bribery probe as political clash over special counsel intensifies

(co) South Korean police have stepped up their investigation into alleged bribery by the Unification Church, repeatedly questioning its jailed leader Han Hak-ja and the former chief secretary over claims that the group funneled cash and luxury gifts to politicians across party lines between 2018 and 2020.

As part of the probe, police on December 24 raided the Seoul office of Bulgari to trace a luxury watch allegedly given to former oceans minister Chun Jae-soo, who has denied the accusations and resigned earlier this month. [Yonhap News Agency]

Investigators have also summoned former chief secretary to Unification Church leader Han Hak-ja, suspecting he acted as intermediaries in channeling funds to political figures and in lobbying for projects such as a proposed undersea tunnel linking South Korea and Japan. [The Korea Herald 1]

The case has spilled into open political confrontation, with the main opposition People Power Party (PPP) warning it will take “extraordinary measures” to force passage of its proposed special counsel bill before year’s end.

On December 22, the PPP and the ruling Democratic Party (DP), along with the minor opposition New Reform Party, agreed in principle to a PPP proposal on launching a special counsel to probe the church scandal (see AiR No. 51, December/2025, 4).

However, on December 26, the DP has countered with its own bill broadening the inquiry to other religious groups, including the Shincheonji Church of Jesus, deepening partisan tensions. [The Korea Herald 2]

The Shincheonji Church of Jesus—similar to the Unification Church—has been accused in the past of attempting to influence politics, such as alleged efforts to mobilize members to join parties or support candidates. However, so far such claims have not led to legally established links to specific elected officials or parties.

South Korea: Ruling party floor leader resigns amid nomination-cash scandal

and ethics allegations

(dql) Ruling Democratic Party (DP) lawmaker Kim Byung-kee resigned as floor leader after mounting public backlash over multiple ethics allegations and fresh claims that he was aware of — but failed to act on — a reported KRW 100 million (USD 74,000) payment connected to the party's 2022 local-election nomination process.

The controversy intensified after a leaked audio recording appeared to show party officials discussing the transfer, raising suspicions of monetized candidate selection and misuse of party authority. All parties involved deny wrongdoing.

Prior to the scandal, Kim had already come under intense scrutiny following allegations that he and his family received improper benefits from Korean Air and a major public hospital in his constituency— including a high-value complimentary stay his family enjoyed at a Jeju hotel owned by Korean Air and expedited or preferential treatment for Kim's wife and son at a medical center during periods of nationwide medical strain. [The Korea Herald 1]

Kim's departure reflects broader anxiety within the ruling bloc that the scandal could undermine its reform agenda and weaken public trust in its governance and integrity standards. Some within his own party called on him to resign from the National Assembly entirely.

The DP has launched an internal probe tied to the nomination-cash allegations and must choose a new floor leader within a month — a process seen as a potential flashpoint for internal factional competition and a test of the party's political cohesion. [The Korea Herald 2]

South Korea: Former First Lady accused of influence-peddling and abuse of office

(co) A special prosecutor said former First Lady Kim Keon Hee interfered in state affairs in exchange for money and luxury valuables, as his investigation into scandals surrounding the former presidential couple concluded. Special prosecutor Min Joong-ki accused Kim of exploiting her status to influence appointments and nominations, while prosecutors have sought a 15-year prison sentence in her ongoing trial. Kim has denied the charges she has denied.

Launched in July, the investigation led to the indictment of 66 individuals — including Kim and her

husband, former President Yoon Suk Yeol — and the detention of 20 suspects over allegations ranging from stock price manipulation and illicit opinion polls to the acceptance of luxury gifts in exchange for favors. The probe also implicated figures linked to the Unification Church (see article above). [Reuters] [The Korea Herald]

South Korea: Prime minister urges tougher sanctions on firms following major personal-data breach scandals

(dql/co) Prime Minister Kim Min-seok has urged swift legislation to introduce punitive fines for companies responsible for repeated or serious personal-data breaches, citing rising public anger after a series of major leaks involving large firms.

Speaking at a policy coordination meeting, Kim announced that the government will pursue tougher corporate accountability, criticizing affected companies for inadequate responses and weak consumer protection.

Under the proposed framework, offenders could face fines of up to 10 percent of annual sales, alongside tighter breach-notification rules that inform victims of both the incident and their right to seek compensation. The government also plans to bolster investigative enforcement — including coercive fines for noncompliance — and accelerate institutional reforms to contain damage and prevent recurrence.

The push follows recent high-profile cases, including a leak at Shinhan Card — one of South Korea's largest credit card companies — affecting around 190,000 merchant-related records allegedly misused by employees, and a massive breach at Coupang — one of the country's largest e-commerce and logistics companies — impacting 33.7 million users (see AiR No. 48, December/2025, 1), which authorities have labeled a major social crisis and placed under interagency investigation. [The Korea Herald]

Meanwhile, Coupang announced a KRW 1.69 trillion (USD 1.18 billion) compensation plan for 33.7 million users affected by a major data breach, offering KRW 50.000 (USD 37) vouchers redeemable on its own platforms.

Critics, including lawmakers and consumer groups, have denounced the voucher-based compensation as inadequate and self-serving, accusing Coupang of

turning a data breach into a marketing opportunity. [Reuters]

South Korea: Government moves to ease restrictions on North Korean media

(co) The government is preparing to ease long-standing restrictions on North Korean publications by partially opening public access to the print edition of Rodong Sinmun, the official daily of North Korea's ruling Workers' Party. Six ministries and agencies agreed to reclassify the newspaper from "special materials" to "general materials," a move that would allow the public to read its print version without prior authorization.

The step follows President Lee Jae-myung's criticism of treating citizens as incapable of critically engaging with North Korean media, noting that journalists already access and report on the paper freely.

Online access to North Korean websites will remain blocked, as lifting those restrictions would require a separate legal and regulatory process. [The Korea Herald]

South Korea: Government to phase out overseas adoptions amid UN urge to address past abuses

(co) The South Korean government plans to end overseas adoptions by 2029, shifting full responsibility from private agencies to the state as part of a broader effort to strengthen child protection. The Ministry of Health and Welfare said it approved a five-year child welfare blueprint prioritizing domestic adoption and limiting overseas placements to exceptional cases handled directly through government channels.

The plan, a core part of President Lee Jae Myung's child welfare agenda, builds on recent reforms including the adoption of a public adoption system and ratification of the Hague Convention on Intercountry Adoption. [The Korea Herald]

The government's plan comes as the UN has urged Seoul to address past abuses, voicing serious concern over the lack of truth-finding and reparations for adoptees affected by fraud and rights violations. UN investigators criticized South Korea for focusing on future reforms while offering no concrete remedies for victims of decades-long adoption abuses, including

falsified records and failures in child protection. [PBS News]

South Korea: Seasonal foreign worker quota expanded to record high for 2026

(co) South Korea will raise its seasonal foreign worker quota by 14 percent to a record 109,100 in 2026, as part of a joint decision by four ministries to address periodic labor shortages in farming and fisheries.

The expansion includes tighter regional vetting by local governments and revised family-sponsorship rules, lowering the number of relatives marriage migrants may invite from 20 to 10 starting next year.

Officials said the program, now larger than the quota for longer-term low-skilled visas, reflects a broader policy shift toward managed, region-based labor migration amid demographic decline. [Chosun Biz]

The program is part of the government's efforts to introduce policies to attract more immigrants as its foreign-resident and migrant-background population reached a record 2.58 million as of November 2024 — about 5 percent of the national population and the highest level since government tracking began in 2006. [The Korea Herald]

Taiwan: Opposition launches impeachment bid against President Lai

(dql) Taiwan's opposition-controlled Legislature has taken the first step toward impeaching President Lai Ching-te, accusing him of breaching constitutional norms after he declined to promulgate a revenue-sharing bill that his government argued would damage fiscal stability.

Lawmakers from the Kuomintang (KMT) and Taiwan People's Party (TPP) used their combined majority to pass a motion launching impeachment proceedings by a vote of 60–51, triggering a months-long process that will include public hearings and opportunities for Lai to defend his decision before a final roll-call vote scheduled for May 19.

Opposition leaders contend that Lai's handling of the legislation — which followed the premier's refusal to countersign the bill (see AiR No. 51, December/2025, 4) — constitutes a violation of democratic and constitutional order. The ruling Democratic Progressive

Party (DPP) condemned the impeachment initiative as a retaliatory move by the opposition, arguing that it prioritizes political point-scoring over the public interest. The party highlighted that the opposition bloc is fully aware it lacks the two-thirds majority required to advance the case yet is proceeding anyway to embarrass the president rather than focus on substantive work.

Under Taiwan's constitutional framework, any impeachment approved by two-thirds of lawmakers must then be reviewed by the Constitutional Court, which can dismiss the case or remove the president if two-thirds of justices concur. [Focus Taiwan] [Taipei Times]

Given this majority requirement, the opposition-driven impeachment initiative is widely viewed as a political maneuver rather than a credible effort to remove Lai from office. While unlikely to sway undecided voters, it consolidates support among opposition bases. [Al Jazeera]

The dispute marks an unprecedented situation in modern Taiwan in which a president did not promulgate a law passed by the Legislature, highlighting intensifying partisan confrontation and institutional deadlock

between the executive and opposition-led legislature under a divided government, ever since the DPP won the presidency but lost its legislative majority in 2024.

Opposition blocks Lai's defense budget for 5th time

Reflecting this political gridlock, KMT and TPP lawmakers on December 30 prevented a special NTD 1.25 trillion (USD 39.8 billion) defense budget from being added to the Legislative Yuan's—the parliament's agenda, marking their fifth such block this month.

The budget, approved by the Cabinet on November 27, is intended to fund weapons procurement and joint development programs with the United States from 2026 to 2033.

The move came amid China's second day of large-scale military drills near Taiwan, conducted in apparent response to a recent USD 11.1 billion U.S. arms sale to the island (see article in this edition).

KMT officials blamed the DP for escalating tensions, arguing that Beijing's incursions were less frequent under previous KMT administrations. President Lai expressed willingness to address the legislature but

resisted taking questions, citing separation-of-powers concerns.

DPP lawmakers criticized the opposition for not even allowing discussion of the budget, noting that procedural oversight should occur in the Foreign Affairs and National Defense Committee rather than through blocking the agenda in the Procedure Committee. [Focus Taiwan 2]

The Procedure Committee is the parliament's agenda-setting body that reviews incoming bills, motions, and budgets and decides whether they move to plenary debate or to a standing committee. Because membership reflects party seat shares in the parliament and decisions are made by majority vote, the bloc with numerical control can delay or block items by keeping them off the agenda, making the committee a key arena for procedural negotiation and obstruction.

The defense budget impasse comes as Washington presses Taipei to show sustained commitment to higher defence spending — particularly on asymmetric capabilities — amid warnings that repeated funding delays could hurt Taiwan's credibility after the US recently unveiled an unprecedented USD 11.1 billion arms package, prompting intensified AIT engagement with opposition leaders. [SCMP]

Taiwan: President Lai to seek Constitutional Court ruling on pension rollback bill

(acl) On December 26, President Lai Ching-Te announced that the government would seek a Constitutional Court ruling on the constitutionality of a bill passed by the Legislature that rolls back elements of the pension reforms introduced in 2018. Although Lai promulgated the bill the same day, he issued an accompanying annotation arguing that it was unconstitutional, citing risks to fiscal sustainability and generational justice, as it would require taxpayer funds to cover shortfalls in the public service pension system.

The bill, which passed its third reading on December 12, was approved by the opposition parties in the parliament, the Kuomintang (KMT) and the Taiwan People's Party (TPP), which hold a legislative majority, against the resistance of Lai's ruling Democratic Progressive Party (DPP). The bill partially reverses pension cuts for civil servants and public school teachers and suspends planned reductions through 2029.

Lai further argued that the amendments would infringe on the Cabinet's authority to formulate the general budget and accelerate the depletion of pension funds, shifting the financial burden to the public. The Cabinet also noted that earlier reforms had already left retired civil servants and teachers receiving monthly benefits roughly double those of workers covered by labor insurance.

According to the Ministry of Civil Service, restoring income replacement ratios to their 2023 levels would cause pension funds for civil servants and public school teachers to be exhausted by 2045 and 2042, respectively—three and four years earlier than previously projected.

While the Constitutional Court is no longer fully paralyzed after striking down opposition-backed amendments to the Constitutional Court Procedure Act earlier this month, which had been in force since January 2025, opposition lawmakers have filed legal complaints accusing the five justices who issued the ruling of violating the Criminal Code by acting without the legally required minimum number of judges, even under the pre-amendment rules. It remains unclear whether the court will resume a normal schedule of hearings and rulings. [Focus Taiwan 1] [Taiwan News] [Focus Taiwan 2]

Taiwan: Opposition party chair enters New Taipei mayoral race

(dql) Huang Kuo-chang, chairman of the opposition Taiwan People's Party (TPP) has announced his candidacy for New Taipei mayor, describing his bid as an effort to break long-standing political patterns in New Taipei, where the other—and larger—opposition party, the Kuomintang (KMT) has held power for roughly two decades.

KMT Chair Cheng Li-wen responded cautiously, emphasizing that Huang's announcement should not be seen as a threat to ongoing opposition cooperation between the KMT and TPP against the ruling Democratic Progressive Party (DPP). She noted that communication with Huang has been smooth and highlighted the positive progress of "blue-white" collaboration, referencing prior discussions about possible electoral coordination ahead of the 2026 elections.

The mayoral race opens as incumbent KMT Mayor Hou Yu-ih prepares to leave office next year. While the KMT has not yet nominated a candidate, Deputy Taipei

Mayor Lee Shu-chuan is widely considered a leading contender. [Taiwan News]

Taiwan: New Youth Basic Act enshrines civic rights at age 18

(dql) Taiwan's legislature has passed the Youth Basic Act, formally defining "youth" as citizens aged 18–35 and writing civic rights at age 18 into law. The act requires the government to fully establish the legal framework guaranteeing 18-year-olds the right to vote, propose initiatives, recall officials, and participate in referendums within two years of its implementation.

The law creates a NTD 10 billion (USD 318 million) youth development fund to be financed in stages over five years and overseen by a board in which scholars, experts, and youth representatives must make up more than half the members. It also mandates the establishment of a Youth Affairs Development Council in the Cabinet, with youth from diverse backgrounds comprising at least half of its members and gender balance guaranteed.

The Ministry of Education is designated as the central authority, tasked with issuing a national youth policy white paper and convening a national youth conference every four years, alongside regular publication of youth data. [Taiwan News]

Taiwan: Legislature tightens fraud penalties

(dql) Taiwan's Legislature has strengthened its anti-fraud framework by amending the Fraud Crime Hazard Prevention Act. The revisions lower the high-value fraud threshold from NTD 5 million (USD 159,294) to NTD 1 million (USD 31,859), with penalties ranging from three to ten years in prison and fines up to NTD 30 million (USD 955,770).

Larger frauds carry harsher sentences and fines. Fraud over NTD 10 million (USD 318,590) carries five to twelve years and fines up to NTD 300 million (USD 9.56 million), while fraud over NTD 100 million (USD 9.56 million) carries a minimum of seven years and fines up to NTD 500 million (USD 15.9 million). Recruiting minors or the elderly increases penalties by 50 percent.

Authorities can now flag and temporarily suspend transactions on bank, e-payment, credit card, and

virtual asset accounts suspected of fraud. The law also introduces incentives for offenders to surrender and fully compensate victims within six months, potentially reducing their sentences. A “luxury ban” allows courts to consider extravagant spending in assessing penalties if victims remain uncompensated.

Separately, the Legislature called on the Ministry of Digital Affairs to tighten oversight of online advertising, improve disclosure rules, and provide local customer support to help prevent fraud. [Focus Taiwan]

Taiwan: Opposition proposes government-funded investment accounts for children

(acl) On December 25, Taiwan’s opposition parties, the Kuomintang (KMT) and Taiwan People’s Party (TPP) announced a proposal for government-funded investment accounts for children, accessible at age 18, aimed at easing financial pressure on parents and addressing Taiwan’s declining birthrate.

Under the plan, dubbed the “Taiwan Future Accounts,” the government would establish accounts for children aged 12 and under with household registration in Taiwan – currently around 2.26 million people. Each account would receive an initial government deposit of around USD 1,590, followed by annual contributions of around USD 318 until age 12, invested in index funds on Taiwan’s stock market.

In response to the proposal, the Ministry of Health and Welfare said the funding sources and longer-term fiscal impact would require careful consideration, noting the government’s 2026 budget proposal already requires borrowing nearly USD 9.54 billion.

While KMT and TPP lawmakers said advancing the plan through a special act would not overstep executive authority, ruling Democratic Progressive Party (DPP) counterparts countered it would be unconstitutional, citing Article 70 of the Constitution, which bars the legislature from proposing measures that increase government spending in a budgetary bill presented by the executive branch. [Focus Taiwan][Taipei Times]

Taiwan: Army conducts combat readiness drills amid large-scale Chinese exercises

(dql) Taiwan’s Army deployed a combined-arms battalion from the 269th Mechanized Infantry Brigade to Taoyuan on December 29, in response to China’s

large-scale “Justice Mission 2025” exercise (see article in this edition), conducting combat readiness drills to protect key facilities.

A reconnaissance platoon first secured designated areas, followed by main forces coordinating with nearby units. The drills involved Clouded Leopard armored vehicles, CM11 tanks, drones, anti-armor systems, and artillery to simulate battlefield conditions and enhance troop readiness.

Bordering Taiwan’s capital region, Taoyuan serves as a critical buffer for Taipei, Taiwan’s political and economic center. The area hosts key facilities, including Taiwan’s largest international airport and major transportation hubs, which are vital for both civilian logistics and military mobility. It also contains important military installations, such as mechanized infantry brigades and support bases, central to Taiwan’s rapid-response and defensive capabilities.

In addition, the military deployed explosive-filled barrels and floating platforms near the mouth of the Tamsui River in New Taipei to block potential enemy naval access to Taipei. The Tamsui River is considered a likely entry point for a Chinese invasion, as the capital’s Presidential Office is just 22 kilometers upstream.

The military highlighted the strategic importance of nearby Bali Beach and Taipei Port, both potential invasion sites. The control of the port could allow enemy forces to land additional troops and supplies.

In parallel, the defense ministry activated an emergency response center, keeping all service members on high alert and enforcing decentralized operational directives, allowing units to respond immediately in case of a Chinese attack. [Taiwan News 1] [Taiwan News 2]

Taiwan: Cabinet moves to widen China-travel controls for officials

(dql) The Cabinet has endorsed amendments to expand travel-approval rules for visits to China, extending pre-departure reviews to lawmakers, local leaders, civil servants and police, in response to a recent opposition delegation’s trip that touched on politically sensitive cross-strait themes.

The draft would also require all elected officials who interact with Chinese government, Communist Party or

military-linked entities while in China to file detailed post-visit reports, with fines for non-compliance.

In addition, the revisions broaden bans on current and former senior officials and some military officers attending events seen as undermining Taiwan's sovereignty, with penalties ranging from temporary pension suspensions to full forfeiture in "serious" cases. [Focus Taiwan 1]

The Cabinet defended its proposed tightening of controls on officials' travel and contacts with China as a response to what it described as stepped-up Chinese Communist Party's (CCP's) "united front" influence operations and infiltration efforts, arguing that stronger rules are needed to protect national security and improve transparency.

It said current oversight of civil servants and elected officials is incomplete, particularly for those with access to sensitive information, and that undisclosed interactions with Chinese entities limit public accountability.

The amendments will be sent to the Legislature for review, where political divisions are evident. The main opposition party, the Kuomintang (KMT), criticized the initiative as ideologically driven and warned it could heighten cross-strait tensions, calling instead for more exchanges to foster goodwill and mutual understanding.

By contrast, ruling Democratic Progressive Party (DPP) lawmakers argued that legislators and local leaders pose a high exposure risk because they can travel to China with little scrutiny, stressing that the goal is not to restrict visits but to ensure disclosure and public oversight. [Taipei Times]

Cabinet backs bill targeting China-linked "hostile influence" in public spaces

In parallel, China—although not explicitly named— is widely seen as the focus of Cabinet's approval of draft amendments to the Social Order Maintenance Act, which would allow authorities to penalize people who spread hate speech, extremist messages or narratives tied to "hostile foreign forces" in public places. The proposal — still subject to approval by the opposition-led Legislature — would permit detention of up to three days, and would also cover the use of flags, clothing, images or videos in venues such as parks, stations and airports.

Government explanations link the undefined category of "foreign-force narratives" to Taiwan's 2019 Anti-

Infiltration Act, under which the term typically refers to the People's Republic of China.

The draft also empowers the Interior Ministry to order online platforms to restrict or remove similar content deemed a threat to public order, with penalties for providers that fail to comply with. [Focus Taiwan 2]

Taiwan: U.S. arms delivery delays widen defense readiness gap

(dql) Taiwan is facing significant delays in the delivery of U.S.-approved weapons, with more than US$20 billion in arms orders still outstanding due to limited capacity in the American defense industrial base. The backlog affects several platforms central to Taiwan's deterrence posture.

Delivery of 66 F-16V fighter jets has slipped from 2026 to 2027–2028, while an air-to-surface missile system approved in 2017 is now expected no earlier than 2027. Shipments of the Harpoon anti-ship missile system — key to countering PLA amphibious movements — only began in 2025 and are unlikely to be completed before 2028.

Although Washington has continued to expand arms sales, most recently approving an additional USD 11.1 billion package covering systems such as Javelin missiles and HIMARS launchers (see AiR No. 51, December/2025, 4), many of these weapons are being procured through new production contracts rather than drawn from existing U.S. stockpiles, further extending delivery timelines. [Nikkei Asia]

Taiwan: Newly acquired tanks join first field exercise

(dql) Taiwan's Army deployed its newly acquired U.S.-made M1A2T Abrams tanks in a field exercise in the norther city of Hsinchu — the first time the vehicles have operated outside their base — to test rapid response capabilities and the protection of critical infrastructure. [Ministry of Defense, Taiwan, in Chinese]

The December 23 battalion-level drill was carried out by the Army's 584th Armored Brigade—one of Taiwan's key heavy units— and brought together multiple armored and support platforms and emphasized mobility, coordination across units, and commanders'

ability to adapt to changing battlefield conditions through realistic terrain training.

The maneuvers are part Taiwan's ongoing effort to modernize its armored forces and strengthen deterrence amid rising security pressure from China. Taiwan has so far received 80 of the 108 tanks ordered from the United States under a 2019 arms package, with the remainder due in early 2026. [Focus Taiwan] [Defecnce Blog]

Taiwan: Attack drone production to be increased

(acl) Taiwan's military plans to increase the production of attack unmanned surface vessels (USVs) from 1,320 to 1,600 units under a proposed USD 39.85 billion special defense budget, aiming to bolster capabilities in the Taiwan Strait.

To accelerate production, the Navy Command is expected to commission the National Chung-Shan Institute of Science and Technology (NCSIST)—Taiwan's state-owned defense research and development organization, operating under the defense ministry — as the primary contractor.

NCISIST previously signed a memorandum of understanding with U.S. drone and USV manufacturer MARTAC, whose vessels are already deployed in over 20 countries. According to officials, NCSIST would integrate command-and-control, sensors, guidance modules, and explosives into a complete weapons system. If selected as the main manufacturer, partial deployment could begin by 2027.

The Navy requires the attack USVs to achieve a top speed of at least 64 kilometers per hour and a range of at least 460 kilometers. The vessels must also be capable of autonomous target identification and collision avoidance, carry electro-optical/infrared modules, and transmit imagery from up to 44 kilometers while resisting interference with global navigation satellite systems and radio signals.

As cross-strait tensions rise, Taiwan is seeking to accelerate its military procurement plans and strengthen its asymmetric capabilities to ensure readiness in the region. [Taiwan News] [Liberty Times, in Chinese]

Constitutional Law and –Politics, Human Rights and National Security in South Asia

Bangladesh: Former prime minister, leader of main opposition party dies

(lm) Bangladesh has entered a period of national mourning following the death of former prime minister Khaleda Zia, a central figure in the country's political history and long-time leader of the Bangladesh Nationalist Party (BNP). Chief Adviser Muhammad Yunus announced three days of state mourning and declared a one-day public holiday on the day of her funeral prayers, urging calm and national unity amid an ongoing political transition. [The Daily Star 1] [BBC] [Al Jazeera]

Khaleda Zia, Bangladesh's first female prime minister and long-time archrival of ousted former leader Sheikh Hasina, died at age 80 after a prolonged multi-organ illness while hospitalized in Dhaka. Her death comes less than two months before national parliamentary elections scheduled for February 12, 2026, the first since the mass uprising in late 2024 that forced Hasina from power and led to the installation of an interim administration. Earlier in 2025, Zia had been acquitted by the Supreme Court in long-running corruption cases, clearing the legal path for her political re-engagement before her health sharply deteriorated.

Her passing has immediate political consequences for the BNP, which is now accelerating preparations under the leadership of her son, Tarique Rahman, the party's acting chairman. After returning to Bangladesh in late December following 17 years in self-imposed exile in the United Kingdom, Tarique Rahman has rapidly re-

entered public political life. He completed voter registration for the Dhaka-17 constituency, submitted nomination papers—filed on his behalf—for both Dhaka-17 and Bogura-6, and formally resumed engagement with party structures. [The Daily Star 2] [The Daily Star 3]

As part of this re-engagement, Tarique Rahman visited the BNP's central Nayapaltan office in Dhaka for the first time in 17 years, drawing large numbers of party leaders and supporters. In brief remarks, he urged activists to avoid blocking roads or causing public inconvenience, emphasizing orderly conduct and restraint. [The Daily Star 4]

Organizationally, the BNP has finalized nominations in 286 of the country's 300 constituencies, deliberately leaving 14 seats for alliance partners as part of a broader opposition coalition strategy. The party has also issued contingency nominations in several constituencies and absorbed leaders from smaller parties that have dissolved or aligned with the BNP. [The Daily Star 5]

Bangladesh: 2,582 candidates submit nomination papers as deadline closes for parliamentary election

(lm) (lm) A total of 2,582 candidates submitted nomination papers for Bangladesh's upcoming parliamentary election by the filing deadline, according to the Election Commission. The figure is lower than in the last two elections, which were held in 2018 and January 2024 under governments led by the Awami League.

The Awami League, led by former Prime Minister Sheikh Hasina, remains barred from contesting due to a ban on its activities and the suspension of its registration, while some former allies have announced their decision not to participate and have described the electoral process as unconstitutional and one-sided.

The election is scheduled for February 12 and will be held alongside a referendum on constitutional charter reforms. [The Daily Star]

Bangladesh: Student-led party agrees seat-sharing with Islamists

(lm) The National Citizen Party (NCP) has entered a seat-sharing arrangement with Bangladesh Jamaat-e-Islami and its allies to contest the February 12, 2026, national parliamentary election, marking a significant realignment in Bangladesh's post-2024 uprising political landscape.

Jamaat-e-Islami is Bangladesh's largest Islamist political party. It opposed the country's independence in 1971, and several of its senior leaders were later convicted by domestic war-crimes tribunals for collaboration during the Liberation War. After decades of marginalization, Jamaat re-entered mainstream politics through alliances with the Bangladesh Nationalist Party (BNP), notably as a junior partner in BNP-led governments between 2001 and 2006. From 2013 onward, Jamaat faced renewed repression under successive Awami League governments, including deregistration as a political party and extensive legal action against its leadership, although it continued operating through alliances and affiliated organizations.

Under the evolving arrangement, the Jamaat-led bloc—now expanded to ten parties following the entry of the Liberal Democratic Party (LDP)—is close to finalizing nominations across all 300 constituencies. Negotiations indicate Jamaat may contest roughly 180–185 seats, with allocations to allies including Islami Andolan Bangladesh, Bangladesh Khelafat Majlis, and the NCP. In constituencies where agreement has not yet been reached, multiple candidates are expected to submit nomination papers initially, followed by withdrawals once seat allocations are finalized. The NCP has already submitted 47 nomination papers—exceeding the number of seats currently under discussion—as a tactical buffer while talks continue, with party leaders saying they are seeking up to 40 seats, though expectations appear lower. [The Daily Star 1] [The Daily Star 2]

The NCP, formed by leaders of the 2024 mass uprising that ousted the Awami League government, argues that contesting alone is not viable under present conditions. Party leaders cite security concerns—heightened after the December 2025 killing of an independent candidate linked to the July movement—as well as limited nationwide organizational reach despite estimated public support of around 5–6 percent. NCP officials have also said negotiations with the BNP failed to produce acceptable terms, prompting a pivot toward Jamaat as a more viable electoral partner. [The Daily Star 3]

The decision has, however, triggered significant internal dissent within the NCP. At least 30 central

leaders, including several senior women leaders, formally objected to any alliance with Jamaat, citing its historical role during the 1971 Liberation War, concerns over democratic values, minority rights, and gender equality, and fears that the party's reformist identity would be diluted. Multiple leaders have resigned or withdrawn from the election race, including senior figures who are now contesting independently. At the same time, 170 NCP leaders—including over 120 who submitted individual letters—have publicly endorsed the leadership's authority to enter an electoral understanding, reflecting a deep but numerically uneven internal split. [The Daily Star 4] [The Daily Star 5]

Jamaat leaders describe the arrangement as a "politics of understanding" rather than a formal alliance, arguing that it allows coordination without post-election power-sharing commitments. They maintain that candidate selection is being handled on a constituency-by-constituency basis, prioritizing perceived electability. Jamaat officials also frame the inclusion of the NCP as bringing the July uprising generation into parliamentary politics, while strengthening a broader Islamist-leaning electoral bloc in a contest now reshaped by the exclusion of the Awami League from the election.

Political analysts are divided. Some characterize Jamaat's success in drawing the NCP into its electoral orbit as a major strategic gain, enabling the Islamist party to project broader social reach and position itself as a central opposition force after the election regardless of outcome. Others view the NCP's move as standard pre-election power politics, arguing that the party lacks ideological consolidation, that such arrangements are often temporary, and that the decision reflects pragmatic calculations rather than long-term alignment. Analysts also note that parts of the electorate associate the NCP with the interim administration installed after the uprising, complicating its effort to position itself as a fully independent alternative. [The Daily Star 6]

Bangladesh: Jatiya Party sets electoral target

(lm) The Jatiya Party faction led by GM Quader, which served as the official parliamentary opposition during the Awami League governments under ousted former prime minister Sheikh Hasina, says it is aiming to win at least 100 seats in the February 12, 2026 national parliamentary elections. Party co-chairman Mostafizur Rahman Mostafa said the party has fielded candidates

in 243 constituencies and is organizing its campaign on the assumption that voter security, freedom of movement, and a level playing field will be ensured. He added that several leaders who had previously left the party have returned and received nominations, and that candidates were selected based on perceived electoral viability. [The Daily Star]

The Jatiya Party has undergone significant internal fragmentation in recent years. Founded by former military ruler Hussain Muhammad Ershad, the party split into rival camps after Ershad's death. The most prominent divide has been between the GM Quader–led faction, which retained formal recognition and functioned as the parliamentary opposition, and a rival faction associated with Ershad's widow, Raushan Ershad, alongside smaller breakaway groups led by senior figures who later distanced themselves from Quader's leadership.

Bangladesh: Two former ruling-alliance parties boycott February parliamentary election

(lm) Two long-time partners of the Awami League's former 14-party alliance—the Workers Party of Bangladesh (a left-wing socialist party) and the Jatiya Samajtantrik Dal (JASAD) (a socialist party with roots in the 1970s independence-era left)—have announced that they will not participate in the upcoming 13th national parliamentary election and referendum scheduled for February 2026.

In separate statements, both parties said their decision was driven by the failure to ensure inclusive participation of all political forces. They argued that the election process is being conducted in a one-sided manner and lacks the minimum conditions for credibility.

Both parties had been part of the Awami League–led governing alliance from 2008 until August 2024, when the government was removed from power. Their leaders—Hasanul Haq Inu of JASAD and Rashed Khan Menon of the Workers Party—served as ministers in the previous administration. [The Daily Star]

Bangladesh: Tribunal says warrants unexecuted against senior figures of ousted former ruling party

(lm) Bangladesh's International Crimes Tribunal-2 (ICT-2)—a domestic tribunal now being used to hear alleged crimes against humanity tied to the July–August 2024 mass uprising that ended the Awami League's rule—was told by prosecutors that law enforcers have failed to arrest former Awami League Secretary General Obaidul Quader and six other senior figures from the party and its now-banned affiliated organizations, after officers reportedly could not find them at their current or permanent addresses. The accused include senior Awami League leaders and top office-holders of the Jubo League (the party's youth wing) and the Chhatra League (its student wing, banned in 2024), with prosecutors alleging roles ranging from issuing directives and incitement to organizational facilitation of violence against unarmed protesters. [The Daily Star 1]

In parallel, ICT-2 continued proceedings in a separate case linked to the killing of a student during the 2024 uprising: the investigation officer resumed testimony for a third day, with the tribunal scheduling the next hearing for January 6, 2026.

Separately, a Dhaka court placed former army officer Major Sadekul Haque on five days' remand in a case alleging a "secret meeting" involving Awami League and Chhatra League activists—reported as large gatherings held on July 3 and July 8 at a convention venue in Dhaka—filed under Bangladesh's Anti-Terrorism Act. [The Daily Star 2]

Bangladesh: New chief justice sworn in following retirement of predecessor

(lm) Justice Zubayer Rahman Chowdhury was sworn in as Bangladesh's 26th chief justice on December 24, marking a key judicial transition under the interim administration. He succeeds Chief Justice Syed Refaat Ahmed, who retired on December 21.

Justice Chowdhury is a senior jurist of the Supreme Court of Bangladesh, the country's highest judicial authority, comprising an Appellate Division and a High Court Division. He previously served in both divisions and was elevated to the Appellate Division in August 2024. Trained in Bangladesh and the United Kingdom, he has had a judicial career spanning nearly four decades, beginning legal practice in the mid-1980s. [The Daily Star]

Bangladesh: Attorney general resigns to contest parliamentary seat

(lm) Bangladesh's Attorney General Md Asaduzzaman has resigned from office to contest the upcoming national parliamentary elections as a candidate of the main opposition Bangladesh Nationalist Party (BNP). Asaduzzaman had publicly announced on November 5 that he would step down ahead of entering electoral politics. He was appointed attorney general on August 8, 2024, after the change of government, and previously served as the BNP's human rights affairs secretary. No successor has yet been named. [The Daily Star]

Bangladesh: Study finds majority of negative child-related reporting linked to rape and murder

(lm) A new study based on national and local newspaper reporting indicates a severe deterioration in child safety in Bangladesh, with sexual violence and killings dominating negative coverage involving children. The *State of Child Rights 2025* report found that 62.66 percent of 1,867 negative child-related news items analyzed involved rape or murder, pointing to persistent and systemic protection failures.

The study reviewed 1,485 major child-related news reports published between January and November. Beyond rape and murder, accidents and tragedies—including road crashes, drowning, and falls—accounted for 31.19 percent of coverage, while reports on abuse and violence made up 15.63 percent. Child trafficking and sexual exploitation accounted for 8.75 percent, child health and protection issues 9.70 percent, and risks linked to the education sector 6.94 percent. Among negative reports, 15.16 percent involved child deaths caused by accidents. [The Daily Star]

Bhutan: Parliament concludes session

(ms/lm) Bhutan's bicameral Parliament—comprised of the National Assembly of Bhutan, which serves as the primary legislative chamber, and the National Council of Bhutan, which functions as the reviewing and deliberative chamber—concluded its late-2025 legislative sittings on December 27, marking the end of the Fourth Session of the Fourth Parliament. [Kuensel 1]

During the session, the National Assembly adopted several bills, including the Livestock Bill of Bhutan 2025, the Financial Services (Amendment) Bill of Bhutan 2025, and the Cooperatives and Farmers Groups Bill of Bhutan 2025, which were transmitted to the National Council for review. In a joint sitting of both houses, lawmakers resolved disputed provisions of the Alternative Dispute Resolution (Amendment) Bill of Bhutan 2024, clearing it for formal enactment. By contrast, the National Assembly (Amendment) Bill of Bhutan 2024 failed to secure the required two-thirds majority in the joint sitting and was declared lapsed.

Separately, the National Council concluded its 36th Session on December 27 after reviewing follow-up actions from earlier sittings and examining oversight reports, including the Anti-Corruption Commission's Annual Report 2024–2025, as well as assessments covering climate-resilient watershed management, the healthcare system, and key economic sectors. The Council also deliberated on international agreements, including maritime transport cooperation arrangements and the Free Trade Agreement between Bhutan and Thailand, and forwarded them for further parliamentary action. [Kuensel 2] [Kuensel 3]

A key legislative outcome of the National Council session was the failure of the Penal Code (Amendment) Bill of Bhutan 2025, which did not secure a simple majority and was declared a dead bill, preventing reintroduction for one year. The deadlock centered on Section 183 of the Penal Code, relating to sexual offences involving minors, where members were divided over proposed changes affecting consensual adolescent relationships. A high number of abstentions reflected unresolved disagreement within the chamber. [Kuensel 4]

In contrast, the National Council reached consensus on healthcare reform, adopting all seven recommendations proposed by its Economic Affairs Committee, along with an additional recommendation to allow limited private-sector participation in selected non-essential healthcare services. The adopted measures call for a review of the National Health Policy 2011, strengthened health-sector workforce planning, improved procurement and quality-control systems, enhanced data protection for digital health platforms, and cost–benefit analysis to reduce reliance on overseas medical referrals. [Kuensel 5]

Bhutan: Audit authority reports financial irregularities in fiscal year 2024–25

(ms) Bhutan's Royal Audit Authority reported financial irregularities totaling BTN 9.99 billion (USD 119.9 million) in fiscal year 2024–25, according to its annual audit report. This represents an increase of more than BTN 6 billion (USD 72 million) compared with the previous fiscal year. The Authority reported that 94.84 percent of the irregularities occurred in non-budgetary agencies, including state-owned enterprises and autonomous authorities, while 5.16 percent were linked to budgetary agencies such as government ministries and departments.

For the first time, audit findings were classified into two categories: fraud and errors. Irregularities classified as fraud totaled BTN 8.38 million (USD 0.10 million) and primarily involved Kaja Throm (a municipal authority) and the Trongsa Dzongkhag Administration (district-level administration), including local government units. Irregularities classified as errors amounted to BTN 9.98 billion (USD 119.8 million). Of this, BTN 7.79 billion (USD 93.5 million), representing 78.06 percent, was attributed to the Punatsangchhu Hydroelectric Project Authority–II, a state-run hydropower project. A further BTN 654.2 million (USD 7.85 million), or 6.56 percent, was linked to the Food Corporation of Bhutan Limited, a state-owned enterprise responsible for food supply and distribution. [Kuensel]

Bhutan: Long-term political detainee dies in custody, rights groups reiterate concerns

(ms) A Bhutanese political detainee has died in custody after more than three decades of imprisonment, according to international rights advocates. Sha Bahadur Gurung, aged 65, died on December 15 at Chamgang Central Prison, the country's main detention facility near Thimphu. He had been arrested in 1990 for involvement in a peaceful protest and sentenced to life imprisonment.

Rights groups state that Gurung was among individuals detained during unrest in the early 1990s linked to protests by members of the Lhotshampa community (ethnic Nepali-origin Bhutanese), following government actions that led to large-scale displacement. The Global Campaign for the Release of Political Prisoners in Bhutan said his death has renewed concerns regarding custodial conditions and called for an independent review. Relatives cited by advocacy groups allege that he experienced long-term physical and psychological mistreatment while in detention.

International human rights organizations have repeatedly raised concerns about the continued detention of political prisoners in Bhutan without parole or sentence review. In 2023, Human Rights Watch reported that at least 37 political detainees remained incarcerated, most of them from the Lhotshampa community. Former detainees have described limited access to medical care, food shortages, and prolonged isolation.

Earlier this year, the UN Working Group on Arbitrary Detention stated that Bhutan has held individuals for extended periods for expressing political views and urged legal reforms and the release of those arbitrarily detained. [Nepali Times]

Bhutan: Nationwide geological mapping and mineral prospecting set for completion by June 2026

(lm) Bhutan's nationwide geological mapping and mineral prospecting program is expected to be completed by June 2026, according to the Ministry of Energy and Natural Resources. Officials reported to Parliament's Public Accounts Committee that close to 70 percent of the mapping work has been completed, with more than 59 percent of the country now geologically mapped, up from about 40 percent in previous years. The program targets a broad range of minerals, including gold, copper, graphite, limestone, iron ore, coal, and rare earth elements, with laboratory testing ongoing.

Parliament also discussed the social and governance implications of mining expansion. Lawmakers called for a long-term mining extension plan, including land acquisition and resettlement strategies for affected communities. Concerns were raised over delayed compensation linked to proposed mine extensions, including compensation totaling BTN 174.65 million (USD 2.10 million) for households affected by the Khothakpa Gypsum Mine.

In parallel, the ministry reported progress on mineral price reviews through the Multi-Sectoral Price Fixing Committee, with reviews for coal and sand completed and further assessments for dolomite and gypsum ongoing. The State Mining Corporation Limited has also been directed to diversify products and explore new markets, including India, Bangladesh, and Nepal, though logistical and transport constraints remain. [Kuensel]

Bhutan: Plans to allocate up to 10,000 bitcoin for flagship development project

(ms) Bhutan has announced plans to allocate up to 10,000 Bitcoin, worth about USD 860 million at current prices, to support the development of Gelephu Mindfulness City, marking one of the most ambitious uses of digital assets by a sovereign state.

Gelephu Mindfulness City (GMC) is a flagship development project in southern Bhutan designed as a special administrative and economic zone aimed at diversifying the country's economy. Located near the Indian border, GMC is envisioned as a regional hub for sustainable finance, green technology, digital innovation, healthcare, education and wellness. The project is intended to attract foreign investment, create jobs for young Bhutanese, and reduce reliance on hydropower and public-sector employment.

The allocation forms part of a national Bitcoin Development Pledge that links digital asset holdings directly to long-term infrastructure and economic development. Authorities said the bitcoin would be managed through treasury strategies such as long-term holding or collateralization, with final deployment decisions pending.

Bhutan has previously generated bitcoin through state-linked mining operations powered by surplus hydropower, allowing it to accumulate digital assets without increasing fossil-fuel use. Officials said excess clean energy would continue to be used for mining in line with sustainability goals.

The strategy is part of Bhutan's broader push to diversify its economy through digital finance, blockchain-based services and technology investment. However, analysts note that the scale of the allocation also exposes public finances to bitcoin price volatility, making risk management critical. [CFI]

Bhutan: Border surveillance to be increased to counter rising drug smuggling

(ms) Bhutan's Royal Bhutan Police has intensified surveillance along the country's southern border to counter drug smuggling and other cross-border crimes, shifting its focus from individual seizures to dismantling supply networks.

The strategy centers on enhanced monitoring of entry points, informal trade routes and trafficking corridors, particularly in Phuentsholing, Bhutan's main commercial gateway with India. Since the formation of a dedicated Narcotics, Drugs and Vice Division in October, police have expanded inspections, intelligence gathering and joint operations across southern districts including Chukha and Samtse.

Authorities say improved cooperation with Indian police has been critical, as drug networks operate across jurisdictions and adapt quickly to enforcement pressure. Police data show 439 drug-related cases in Phuentsholing between 2018 and April 2025, with pharmaceutical drugs and cannabis among the most commonly trafficked substances.

While intensified checks have reduced drug inflows, officials warn that the absence of advanced scanning equipment remains a challenge. The RBP has called for investment in drug-scanner machines to strengthen detection and improve border security efficiency. [Kuensel] [Times of India]

India: Draft voter rolls shrink as nationwide electoral roll verification deletes millions of names

(ppms) The Election Commission of India (ECI) has completed the primary phase of its Special Intensive Revision (SIR), resulting in a large-scale correction of voter lists across several states. The SIR is a comprehensive, house-to-house verification drive designed to eliminate deceased, duplicate, and permanently shifted voters to ensure the integrity of the "one person, one vote" principle.

On December 23, the commission published draft voter lists that revealed the removal of millions of names deemed ineligible. The scale of the reduction has been particularly significant in the following regions. In Madhya Pradesh, about 4,274,000 voters — roughly 7.45 percent of the electorate — were deleted from the draft roll, including 846,000 deceased voters and 2,278,000 people who had permanently shifted residence. In Kerala, the draft roll decreased by 2,408,000 voters, leaving a total of 25,400,000 eligible electors. Of those removed, 649,000 were recorded as deceased, while 816,000 were classified as shifted voters.

While the ECI maintains that this exercise is essential for maintaining accurate and transparent electoral data, the large-scale exclusions have heightened

administrative focus on ensuring no genuine voter is left behind. To address potential errors or missing entries, officials have opened a claims and objections window until January 22.

This period allows citizens to apply for re-inclusion or corrections before the final electoral rolls are officially published in February. [Times of India] [The Hindu]

India: Government orders halt on new mining leases

(dql) The government has ordered states to halt the approval of all new mining leases across the north-western Aravalli mountain range, following a recent Supreme Court ruling that froze new mining activity until a science-based management plan is completed.

The directive applies uniformly from Gujarat and Haryana and Rajasthan to the National Capital Region and seeks to prevent environmental degradation and illegal extraction in one of India's oldest and ecologically significant mountain systems.

The Environment Ministry has tasked the Indian Council of Forestry Research and Education with mapping further no-mining zones based on ecological and geological criteria, beyond areas already restricted by the Centre. Existing mines may continue to operate but are subject to stricter enforcement of environmental safeguards in line with court mandates. [NDTV]

The decision stems from the Supreme Court's endorsement of a uniform scientific definition of the Aravalli hills and its recognition of the range as a critical buffer against the expansion of the Thar desert and a key contributor to biodiversity and groundwater security. While the court rejected demands for a blanket mining ban—arguing that it could fuel illegal mining—it insisted on a comprehensive sustainable-mining framework. [The Policy Edge]

Public demonstrations broke out across parts of northern India in response to the Court's endorsement, protesting the court's classification of only those formations rising at least 100 meters above nearby terrain — and clustered within 500 meters — as part of the Aravalli system.

Environmental groups and local residents warned that this standard could strip protection from smaller ridge outcrops and scrub-covered hills that play an important role in preventing desert expansion,

maintaining groundwater reserves, and sustaining rural livelihoods. Activists argue that the Aravallis should instead be recognized using broader ecological and geological criteria, cautioning that the new approach may open space for additional mining and construction.

Opposition parties have amplified these concerns, framing the dispute as a matter of regional environmental security, particularly for the National Capital Region. The government rejected claims of weakened safeguards, insisting the definition brings regulatory consistency, keeps bans in force in protected and eco-sensitive zones, and still restricts new mining leases across designated Aravalli areas while allowing existing operations under strict conditions. [BBC]

India: Opposition slams prime minister over alleged inaction on attacks targeting Christians during Christmas

(dql) Main opposition Congress Party general secretary and lawmaker K. C. Venugopal has written to Prime Minister Narendra Modi alleging that this year's Christmas season was overshadowed by a pattern of intimidation and violence against Christians, particularly states ruled by his Bharatiya Janata Party (BJP). He urged central government intervention to prevent future incidents.

In his letter, he said the festive period was marked by fear rather than celebration, citing reports of mobs disrupting prayer services, vandalizing decorations and harassing worshippers in Delhi, Chhattisgarh, Uttar Pradesh, Madhya Pradesh and Kerala — with women and children among those affected.

Venugopal argued that these incidents reflect an organized trend rather than isolated acts of intolerance, warning that recurring moral-policing and disruptions around Christmas and New Year undermine India's secular foundations and constitutional protections.

His appeal follows wider criticism from church leaders, civil society groups and state authorities, who condemned attacks staged by nationalist groups on Christmas gatherings, pressure on institutions to cancel celebrations and intimidation of vendors and congregations.

Police have made arrests and increased security at sensitive sites, while rights advocates say lenient

rhetoric from some political figures — including BJP politicians — risks emboldening hard-line groups. [The Tribune] [The Tablet] [TRT]

India: Government seeks over USD 30 billion in major arbitration over offshore gas shortfall

(dql) India is pursuing more than USD 30 billion in compensation from Indian multinational conglomerate Reliance Industries and its partner British Petrol (BP) in a long-running arbitration case over gas output from the D1 and D3 fields in the KG-D6 offshore block, which the government argues was severely under-produced due to alleged mismanagement.

The confidential proceedings — underway since 2016 — concern claims that Reliance initially projected around 10 trillion cubic feet of recoverable reserves but ultimately extracted only a fraction of that, with the state asserting that aggressive production practices and fewer wells than planned caused reservoir damage and prevented recovery of most reserves.

The companies have rejected the reported claim, with Reliance calling the figures “factually incorrect” and maintaining that the matter remains sub judice. BP declined to comment. The tribunal completed final arguments in November and is expected to issue a ruling in mid-2026, which could still be challenged in Indian courts.

The dispute centers on India’s contention that, under the production-sharing contract, subsurface gas belongs to the state and that Reliance and BP should compensate the government for the value of the alleged production shortfall.

If upheld, the claim would represent the largest corporate compensation demand ever pursued by the Indian government, carrying major financial and regulatory implications for foreign investment, upstream energy operations, and India’s credibility in managing resource-sharing contracts. [Reuters] [The Economic Times]

India: Heavy-lift space launch marks commercial breakthrough

(dql) India’s space agency successfully launched its LVM-3 rocket carrying BlueBird Block-2 — a 6,100-kg

commercial communications satellite that is now the heaviest payload ever placed in low Earth orbit from India. The launch is widely seen as marking a major milestone for India's heavy-lift capabilities and strengthens the country's position in the global commercial launch market.

Built by US firm AST SpaceMobile, the mission demonstrated the LVM-3's capacity for large commercial deployments, with the Indian Space Research Organisation (ISRO) planning to adapt the rocket for upcoming flagship programs, including the Gaganyaan human-spaceflight mission. [DW]

AST plans to deploy 45–60 spacecraft by late 2026 to support text, voice, and 5G-class data services in initial markets including the United States. Future launches are expected to involve multiple providers — notably SpaceX and Blue Origin's yet-to-ramp-up New Glenn rocket — as additional BlueBird satellites progress through manufacturing and testing. [Space News]

Against this backdrop, India's space agency ISRO is moving ahead with plans to expand launch capacity at its Satish Dhawan Space Centre in Sriharikota by building a third launch pad to support a new generation of heavier rockets and missions.

The project — now entering procurement and vendor selection — is expected to take about four years to complete and will be designed for Next Generation Launch Vehicles capable of deploying satellites of over 14,000 kg, including both crewed and uncrewed flights. [The Tribune]

India: New national anti-terror policy unveiled

(ppms) The central government is set to release India's first comprehensive national anti-terror policy, aimed at establishing a unified strategy and operational template for all states to combat terrorism, radicalization, and organized crime.

Union Home Minister Amit Shah announced the policy during the inauguration of the two-day Anti-Terrorism Conference 2025 in New Delhi, emphasizing the need for a "whole of government" approach to national security. The policy is designed to bridge the gaps between central and state agencies, ensuring that the fight against terror is coordinated from the local police station level to the highest national intelligence bureaus.

A central pillar of the new strategy is the creation of a strong unified national security grid, which will leverage advanced digital integration to dismantle terror ecosystems. Home Minister Shah called for state agencies to move beyond a "territorial" mindset and adopt a proactive "360-degree" stance that targets not just the terrorists, but also their financial networks, digital radicalization channels, and cross-border supporters.

The policy specifically addresses the rise of emerging threats, including the use of drones for smuggling, crypto-currency for terror funding, and the use of social media for digital recruitment. During the conference, which was attended by top police officials and heads of central agencies like the NIA and IB, Shah underscored that the "era of working in silos is over." By standardizing the hierarchy and investigative protocols of Anti-Terrorism Squads (ATS) across the country, the government aims to ensure that any threat detected in one state can be instantly neutralized by the joint efforts of the entire national security apparatus.

To support this, the government is mandating the increased use of centralized databases, such as the National Integrated Database on Arrested Narco-offenders (NIDAAN) and the National Automated Fingerprint Identification System (NAFIS), to create a seamless flow of actionable intelligence across state lines. [The Hindu] [DD News]

India: Defense ministry approves USD 9.5 billion procurement to boost military deterrence

(dql) The defense Ministry has given initial approval for military procurements valued at roughly USD 9.5 billion, covering new rockets, missiles, ammunition, radars and platforms across the Army, Navy and Air Force. The decision marks a significant step in India's broader modernization drive and reinforces its deterrence posture amid ongoing regional security competition.

For the Army, the package includes loitering munitions for precision strikes, lightweight radars to detect drones and low-flying threats, extended-range Pinaka rockets, and strengthened anti-drone protection along sensitive border zones. The Navy will acquire secure long-range communications equipment and leased high-altitude surveillance UAVs to expand maritime domain awareness in the Indian Ocean.

The Air Force will add longer-range Astra Mark-II missiles and SPICE-1000 guided bomb kits for enhanced stand-off strike capability, along with new simulators to support Tejas pilot training. [The Tribune]

Meanwhile, India is evaluating US-based Lockheed Martin's C-130J Super Hercules for a planned purchase of around 80 medium military transport aircraft to replace ageing Soviet-era fleets — a deal that could become the largest international opportunity in the aircraft's 70-year history.

Lockheed Martin has pledged that, if selected, it will establish the first C-130J final assembly line outside the United States in India, positioning the country as a global production and maintenance hub and expanding its defence-industrial capacity under its partnership with Tata Advanced Systems.

The C-130J, already operated by the Indian Air Force and the other Quad members (the US, Australia and Japan), is being pitched as strengthening India's tactical airlift interoperability within the grouping and enhancing regional security cooperation.

The offer includes technology upgrades, future-ready mission systems and rapid delivery timelines, while rival bids from Embraer (KC-390) and Airbus (A-400M) are also under consideration ahead of an expected procurement decision by the Defence Acquisition Council. [The Economic Times]

India: Akash-NG air-defense missile clears user trials, set for induction

(dql) India has completed user-evaluation trials of its next-generation Akash-NG surface-to-air missile system, confirming that it meets military performance requirements and is ready for induction as a major upgrade to the existing Akash platform. The trials demonstrated accurate interception of diverse aerial threats — including fast, low-altitude targets and long-range, high-altitude scenarios — validating the system's effectiveness across complex engagement conditions.

Developed by the Defence Research and Development Organisation— India's premier government agency responsible for researching, designing, and developing military technologies and systems for the country's armed forces—, the Akash system has become a flagship element of India's domestically produced air-defense capabilities.

Designed for more demanding threat environments and can engage faster, highly maneuverable targets at greater distances than its predecessor, the Akash-NG features an indigenous radio-frequency seeker, a dual-pulse solid rocket motor for improved maneuverability and energy management, and fully domestic radar, command-and-control, and launcher components, reducing dependence on foreign suppliers and improving system integration. [The Tribune] [Defence Blog]

India deployed the Akash surface-to-air missile system during Operation Sindoor in May, a four-day cross-border exchange with Pakistan launched in response to the April Pahalgam attack, in which militants ambushed civilian vehicles in Jammu and Kashmir's Anantnag district, killing 26 people and prompting widespread security backlash (see AiR No. 17, April/2025, 5). During Operation Sindoor, the Akash system was used to intercept multiple Pakistani drone incursions targeting Indian positions along the border and in Pakistan-occupied Kashmir. [Times Now]

First test of Pinaka long-range guided rocket conducted

Separately, the Defence Research and Development Organisation (DRDO) — the country's primary defence research agency, operating under the Ministry of Defence — has carried out the first test flight of the new Pinaka Long Range Guided Rocket (LRGR-120), successfully striking a target at its full range of 120 km.

This marks a significant increase over the roughly 80 km range of existing Pinaka rockets. [Deccan Chronicle]

India: Top Maoist rebel leader killed

(dql) Security forces killed senior Maoist leader Ganesh Uikey, a veteran central committee member of the CPI (Maoist) and head of the group's Odisha operations, during a joint operation of the Border Security Force and the Central Reserve Police Force— India's largest paramilitary force—on December 25. Six other militants were also killed.

The operation comes alongside wider leadership losses within the organization: nine central committee members have been killed this year — four in Chhattisgarh, two each in Jharkhand and Andhra Pradesh, and one in Odisha — further eroding the group's command structure.

Uikey, a long-time strategist and organizer linked to the Maoist network across the “Red Corridor,” was regarded as a key conduit between the movement’s core leadership and local units.

The recovery of military-grade rifles from the site underscores the seniority of the squad targeted. His death follows the recent surrender of dozens of cadres and comes amid multiple high-level losses within the Maoist central committee this year. Government figures say that more than 500 Maoist cadres have been killed since 2024. [NDTV] [The Tribune]

The insurgency, which at its height in the mid-2000s commanded 15,000–20,000 fighters and wielded influence across nearly a third of India, has since sharply declined. In June 2009, the government list the CPI (Maoist) as a terrorist organization. [Arab News]

Maldives: Nasheed–Solih reconciliation reshapes opposition dynamics ahead of local council elections

(lm) Former Maldivian presidents Mohamed Nasheed and Ibrahim Mohamed Solih said on December 24 that they have set aside their public criticism of each other following their political split in 2023, describing past tensions as resolved and emphasizing cooperation going forward within the main opposition Maldivian Democratic Party (MDP).

The two leaders met in Malé and said discussions focused on the future of the party and the country. Both stated that talk of the next presidential election, scheduled for 2028, has been deliberately deferred. Solih said the meeting showed their relationship had “never reached a point of no return,” while Nasheed said the criticism exchanged during their rivalry was limited and is now in the past. [The Sun 1]

The rapprochement follows a period of deep division within the MDP ahead of the 2023 presidential election. Tensions escalated after Nasheed lost the party’s presidential primary to Solih in January 2023, prompting Nasheed and his supporters to leave the MDP in June that year and form a separate party, the Democrats. The split is widely cited by party figures and observers as a key factor in the MDP’s defeat in the 2023 election. In June 2025, Nasheed and his allies dissolved the Democrats and rejoined the MDP.

Speaking after the meeting, Nasheed and Solih also indicated openness to working with former president Abdulla Yameen Abdul Gayoom, though no formal

talks have been announced. Yameen, who backed President Mohamed Muizzu in the 2023 election before later breaking with him and forming the People's National Front (PNF), has since positioned himself as a critic of the current administration. Solih said cooperation with Yameen was "not off the table," citing past cross-party alliances in Maldivian politics. [The Sun 2]

The renewed cooperation was publicly welcomed by Abdulla Shahid, the current president of the MDP, who said that seeing Nasheed and Solih together again had revived morale within the party and strengthened confidence ahead of the local council polls. Shahid said the failure of the two leaders to reach agreement after the 2023 primary had caused deep disappointment among party members, and expressed hope that the renewed unity would encourage reconciliation among divided local party structures across the country. [The Sun 3]

Shahid also reiterated that he would not endorse any candidate in the MDP's internal primaries for the local council elections, stating that it would be inappropriate for a party president to back specific contenders and that he would work with whichever candidates secure party nominations. [The Sun 4]

Meanwhile, Yameen has continued public criticism of successive governments, arguing that frequent changes to building regulations—particularly in Hulhumalé—have undermined investor confidence and policy predictability. Solih, for his part, has accused the Muizzu administration of failing to deliver on development projects initiated under his government, citing delays across multiple islands. [The Sun 5] [The Sun 6]

Maldives: Ruling party publishes primary results, with vote dispute delaying outcome in North Mahchangolhi

(lm) The ruling People's National Congress (PNC) has published preliminary results from its party primaries held on December 27 to select candidates for the upcoming local council elections, with the exception of the North Mahchangolhi constituency, where vote counting was halted following allegations of fraudulent ballots. The party said the incident is under internal investigation and that a decision on how to proceed will be taken after inquiries are completed.

According to preliminary figures released by the PNC, 39,798 votes were cast nationwide during the

primaries, of which 1,758 were declared invalid. Party officials said that more than 50 percent of eligible members participated, describing the turnout as high by internal standards.

The dispute in North Mahchangolhi arose during the counting process, which began after polling closed, when the validity of some ballots was challenged at the counting venue. The challenge led to tensions and a temporary suspension of counting, with footage of the disruption later circulating on social media. Party officials said the matter would be addressed through established internal procedures before results from the constituency are finalized.

The primaries covered nominations for both local council seats and Women's Development Committees (local bodies focused on community development and women's participation). In total, 183 candidates contested council nominations and 121 candidates ran for committee seats. A mayoral primary was held only for Addu City, where one candidate withdrew, resulting in the remaining contender securing the party's ticket.

The preliminary results indicate that several incumbent councillors did not secure the party's nomination to contest the upcoming local elections. The PNC said its current membership stands at 68,665, with expectations that this figure will rise to around 73,000. [The Sun 1] [The Sun 2] [The Sun 3]

Maldives: Adhaalath Party opens nominations for party president

(lm) The Adhaalath Party has opened nominations for the position of party president, according to an announcement issued on December 29. Only individuals who were registered party members as of the previous day are eligible to contest. Applications must be submitted online by January 8. The party's presidential election is scheduled for January 31, with voting restricted to members registered by the nomination cutoff date.

The announcement has renewed attention on former Islamic affairs minister Mohamed Shaheem Ali Saeed, who previously held senior roles within the Adhaalath Party. Shaheem announced on April 30, 2013 that he would rejoin the party and contest its presidency, before leaving again on February 14, 2017, during a period of shifting political alignments involving the party. No indication has been given as to whether he intends to contest the current leadership election. [The Sun]

Maldives: 19 candidates apply for High Court judgeships amid scrutiny of judicial appointments

(lm) 19 individuals have applied for two vacant judgeships at the Maldives High Court, following the retirement of senior appellate judge Mohamed Niyaz and the resignation of Judge Mohamed Faisal. The Judicial Service Commission (JSC)—the constitutional body responsible for judicial appointments, discipline, and oversight—has not formally released the list of applicants.

Among those reported to have applied are Shujau Usman, a former Chief Judge of the High Court, and Abdul Rauf Ibrahim, who previously served more than ten years as a High Court judge. Both left office following disciplinary proceedings: Rauf resigned after a case was initiated against him and later unsuccessfully contested a parliamentary seat on the ruling Progressive National Congress ticket, while Shujau resigned after dismissal proceedings and has since repeatedly applied for senior judicial posts, including Chief Justice.

Other applicants reportedly include former judges and sitting judges from lower and magistrate courts. The recruitment process comes against the backdrop of heightened public sensitivity over judicial appointments, following the August controversy in which Mohamed Shaheed, a former deputy minister, withdrew from consideration for a High Court post after public backlash and a legal challenge to his appointment. [The Sun]

Maldives: Ruling party blocks council debate on Malé land leases

(lm) The ruling People's National Congress (PNC) again prevented the Malé City Council—the elected municipal authority responsible for local governance, land management, and public services in the capital—from debating controversial land lease contracts after its councilors broke quorum for a third consecutive time. The agenda concerned how high-value land plots in Malé, the Maldives' densely populated capital island, and Vilimalé, a nearby residential island administered as part of the capital region, were leased, many of them during the tenure of President Dr. Mohamed Muizzu when he served as mayor of Malé.

The meeting initially met the minimum quorum, but two PNC councilors left when discussion turned to unregistered land lease agreements, causing proceedings to collapse. Despite repeated attempts by Malé Mayor Adam Azim—an opposition figure from the Maldivian Democratic Party (MDP)—to restore quorum through multiple recesses, the session was adjourned without progress.

The PNC holds a supermajority in the council, controlling 14 of 18 seats, enabling it to block proceedings. According to a land registry published by the council in November, 157 land plots, 363 market stalls, and 424 vessel docking slots have been leased, triggering allegations of irregularities, lack of transparency, and procedural violations. Opposition councilors have formally proposed canceling leases awarded during Muizzu's mayoralty. [The Sun]

Maldives: 41 private media outlets qualify for state funding under new MMBC rules

(lm) The Maldives Media and Broadcasting Commission (MMBC), the independent regulator overseeing print, broadcast, and online media, has confirmed that 41 out of 57 private media outlets that applied for state financial assistance meet the eligibility requirements under a newly introduced funding framework. The approved outlets will share MVR 27.9 million (approximately USD 1.8 million), equivalent to 0.1 percent of the national budget, with individual assessment scores made available through the commission's online portal.

The funding scheme originates from an electoral pledge by President Mohamed Muizzu to allocate a fixed share of annual state revenue to support registered private media organizations. For the current year, the government earmarked MVR 27.9 million for distribution.

Under the MMBC's new rules, grant eligibility is determined through a formal points-based system linking financial support to institutional capacity and compliance standards. Media outlets are assessed on criteria including staffing levels, the quality and feasibility of submitted business plans, the type and scope of content produced, the educational background and professional experience of staff, and internal administrative arrangements. Additional weight is given to documented compliance with requirements such as pension contributions, office operations, and the existence of editorial policies or codes of ethics. Broadcasters must also hold valid

operating licenses, and outlets must have been registered before January 1 of the preceding year.

The commission said it reviewed complaints filed during the application process, accepting three of eight submissions received before the deadline. The MMBC also emphasized that the scoring methodology and results are intended to enhance transparency and predictability in state media support.

The current framework follows controversy surrounding the initial rollout of the scheme by the Ministry of Youth, Information and Arts, which had shortlisted 18 outlets before withdrawing the list amid public criticism. Scrutiny focused in particular on proposed allocations to Sangu TV and Sangu Online, outlets linked to a serving cabinet minister. After the list was withdrawn, responsibility for administering the grants was transferred to the newly established MMBC. [The Sun 1] [The Sun 2]

Maldives: Former immigration chief released on conditional bail in corruption case

(lm) The Criminal Court has ordered the release of Mohamed Shamman Waheed, the former Controller General of Immigration who had been held in custody pending trial on major corruption charges. The release followed a request by the Prosecutor General's Office, which argued that the risk of Shamman influencing evidence had diminished now that witness testimony in the case has been completed.

Shamman was released subject to conditions, including the surrender of his passport, as the trial remains ongoing. He was arrested on March 21along with several other immigration officials, over allegations that they abused their authority to extract money from migrant workers. Police have stated that more than MVR 500,000 (approximately USD 32,500) was recovered from his residence and allege that the funds were misappropriated from an expatriate who was released from immigration detention on Shamman's orders.

He has been charged with complicity in robbery, misuse of official capacity, and money laundering—offenses that collectively carry the possibility of lengthy prison sentences and substantial fines if proven. Shamman's family has claimed the arrest was politically motivated and intended to prevent him from exposing alleged corruption involving the Home

Ministry, accusations the government has denied. [The Sun]

Maldives: Human rights body condemns mob abuse of theft suspect as unlawful

(lm) The Human Rights Commission of Maldives (HRCM) has condemned the torture and public humiliation of a man accused of theft after a video showed him being dragged by a group and thrown into the sea. The video, widely circulated on social media, shows the man stripped to his jeans, dragged along the ground, restrained by a booted assailant, and pushed into the sea from a jetty while bystanders watch. The individual was reportedly accused of stealing MVR 15 (USD 0.98), though no judicial process had taken place. [The Sun]

Maldives: Budget overruns widen as travel and subsidy spending exceed allocations while housing funds remain largely unused

(lm) Recent Ministry of Finance data show growing pressure on public finances, with significant overspending in recurrent expenditure categories alongside weak execution of capital spending. As of December 18, government travel and transport expenditure reached MVR 266.4 million (approximately USD 17.3 million), exceeding the approved annual allocation of MVR 249.1 million (approximately USD 16.2 million) by MVR 17.3 million (approximately USD 1.1 million) and surpassing spending over the same period last year.

Overspending is more pronounced in subsidies and social assistance. Total expenditure in this category reached MVR 9.8 billion (approximately USD 637 million), exceeding the approved budget of MVR 8.6 billion (approximately USD 559 million) by MVR 1.1 billion (approximately USD 71.5 million), an overrun of about 13 percent. The largest pressures came from general subsidies, which amounted to MVR 3.4 billion (approximately USD 221 million) against a budgeted MVR 1.8 billion (approximately USD 117 million), followed by health-related schemes such as Aasandha and transfers to local councils. International financial institutions, including the IMF and World Bank, have repeatedly urged the Maldives to move toward more targeted subsidies, warning that universal benefits

place a sustained burden on fiscal stability. [The Sun 1] [The Sun 2]

In contrast, capital spending—particularly in housing—has lagged sharply. Despite the government declaring 2025 a "golden year" for housing and allocating over MVR 3 billion (approximately USD 195 million) in the annual budget, only about MVR 186 million (approximately USD 12 million), or roughly 10 percent, had been spent by late December, leaving around 90 percent of the allocation unused. Housing Minister Abdulla Muthalib rejected criticism of slow implementation, arguing that numerous projects are underway outside the Malé area and that several large schemes—including bank-financed, India-assisted, and Saudi-supported housing projects—are expected to move into the construction phase soon. [The Sun 3]

Maldives: Parliament summons health insurers and state importer over drug shortages

(lm) Maldives' Parliament has called officials from Aasandha—the state-run health insurance scheme—and the State Trading Organization (STO) to explain persistent shortages of essential medicines, amid mounting public concern over patients' access to treatment. The move follows a formal request by a lawmaker, who warned that doctors have increasingly been unable to dispense prescribed medicines through Aasandha-covered pharmacies since last year.

STO, a fully state-owned enterprise responsible for importing and distributing medicines nationwide, has traditionally managed drug supply even during past crises, including the COVID-19 pandemic. In parallel, the government has established a new State Pharmaceutical and Medical Supply Corporation to strengthen supply chains, while the Health Minister has said the Maldives could eventually develop domestic pharmaceutical manufacturing capacity. [The Sun]

Maldives: Retirement allowances suspended for retired police officers appointed to state posts

(lm) The Maldivian government has amended police retirement regulations to suspend retirement allowances for retired police officers who are appointed or elected to government positions or

senior roles in state-owned enterprises (SoEs) during their tenure. The amendment, published by the Home Ministry and effective from December 25, provides that allowance payments will resume only in the month following the individual's departure from the post.

Under the revised rules, retired police officers who become eligible for a separate retirement package after serving in a government or SoE position must choose between the police retirement allowance and the new benefit, preventing the simultaneous receipt of both. [The Sun]

Maldives: Police report decline in gang crime under new anti-gang law, first gang classification sought

(lm) The Maldives Police Service reported a significant reduction in gang-related crimes in Malé and other islands since the Prevention of Gang and Other Serious Offences Act came into force in August 2025. Police said the decline follows intensified enforcement measures, including targeted raids, monitoring of high-risk locations, court-authorized searches of suspected safehouses, and preventive interventions involving juveniles found in gang-affected areas.

Police officials stated that, since the law took effect, authorities have raided six locations, arrested 11 suspects across seven cases, sought charges against two individuals, and referred one group to the Prosecutor General's Office for formal classification as a gang. The Police confirmed that this represents the first request for gang classification under the new law and noted that additional information is being compiled at the request of the Prosecutor General's Office before the case proceeds to the High Court, as required under the legislation.

The Act, passed by Parliament in May and ratified later that month, grants law enforcement expanded powers to combat organized gang activity, including preventive measures aimed at protecting juveniles from recruitment, enhanced surveillance of high-risk individuals, asset confiscation linked to gang activity, and stricter sentencing provisions for serious offences. Police also stated that enforcement efforts are being extended beyond the capital to the atolls and that organized gang crime levels by the end of 2025 are significantly lower compared to the beginning of the year. [The Sun 1] [The Sun 2]

Nepal: Electoral process advances after high-level political talks, despite security and legal concerns

(lm) Nepal's preparations for parliamentary elections scheduled for March 5, 2026, advanced in late December following a sequence of institutional and political steps aimed at stabilizing the post-crisis transition triggered by the September Gen Z protests.

The immediate political opening came on December 26, when Ramchandra Paudel convened the first direct talks since September between Interim Prime Minister Sushila Karki and the leaders of Nepal's three largest political forces: Sher Bahadur Deuba, KP Sharma Oli, and Pushpa Kamal Dahal. Deuba and Oli had been the two principal pillars of the governing coalition prior to the dissolution of the House of Representatives, while Dahal served as opposition leader at the time. All three are former prime ministers, with Oli in office when the Gen Z protests erupted and the lower house was dissolved.

Held at the president's official residence, the talks addressed whether elections could proceed amid ongoing security risks, legal uncertainty, and political tensions linked to investigations into the September 8–9 crackdown. Party leaders agreed in principle to work toward making the March election possible, while stressing that participation depends on guarantees of security, freedom of movement for leaders and candidates, and a neutral campaign environment. Oli raised specific concerns over personal movement restrictions, while Deuba and Dahal likewise emphasized that elections could proceed only if basic political and security conditions were ensured. [The Kathmandu Post 1] [The Kathmandu Post 2]

Following the presidential talks, Prime Minister Karki convened follow-up negotiations on December 28, bringing together Deuba, Oli, and Dahal for the first meeting at the prime minister's residence since the September unrest. These discussions focused on operational issues, including election security, the campaign environment, and confidence-building measures. All three leaders expressed readiness to participate in the March elections provided adequate security could be guaranteed, citing concerns stemming from prison breakouts during the September violence and the continued circulation of looted police weapons. Karki reiterated that her mandate was limited to ensuring timely elections and urged cooperation despite what she described as "difficult circumstances." [The Kathmandu Post 3]

These high-level engagements proved a necessary precondition for the electoral process to move forward. In the days that followed, political parties proceeded to submit their closed proportional representation (PR) candidate lists, signaling conditional acceptance of the election timetable under Nepal's mixed electoral system. While some parties continued to express doubts about security and the broader political environment, the submission of PR lists marked Nepal's formal entry into the election phase. [The Kathmandu Post 4]

Administratively, the Election Commission finalized the framework for the polls. On December 27, it published the final voters' roll, listing 18,903,689 eligible voters, an increase of more than 915,000 since the 2022 elections, and expanded polling infrastructure nationwide. The commission has designated 10,967 polling stations and 23,112 polling centers for the election of 275 members of the House of Representatives, comprising 165 constituency seats under the first-past-the-post system and 110 seats allocated through proportional representation. [The Kathmandu Post 5]

The Election Commission has also endorsed a comprehensive code of conduct, expected to enter into force in January, imposing restrictions on campaign financing, use of state resources, advertising, social media activity, and artificial-intelligence-based manipulation. Violations may result in fines, cancellation of candidacy, or long-term disqualification from office. [The Kathmandu Post 6]

Nepal: Uncertainty over nomination rules allows Speaker to retain office after parliament dissolution

(lm) Following the dissolution of Nepal's House of Representatives in September, the Speaker and Deputy Speaker have continued to hold office under a constitutional provision whose interpretation remains disputed.

The lower house was dissolved on September 12 on the recommendation of the caretaker government formed after the so-called Gen Z protests, with the decision taken by Ramchandra Paudel. While all lawmakers lost their seats immediately, the Speaker and Deputy Speaker remained in office under Article 91(6) of the Constitution, which allows them to continue until the day before nominations are filed for the next House election.

The provision, however, does not clarify whether the relevant nomination date refers to proportional representation lists or to direct, first-past-the-post candidacies. The Election Commission has scheduled late December for the submission of closed proportional representation lists, while nominations for direct elections are set for January 20, 2026. Devraj Ghimire, the Speaker, and the Deputy Speaker have indicated they intend to step down only ahead of the direct-election nomination deadline, allowing them to remain in office for several additional weeks.

Officials at the Parliament Secretariat said the Speaker is relying on precedent from previous election cycles, when earlier officeholders resigned only before first-past-the-post nominations. Similar approaches were taken after earlier dissolutions, reflecting differing interpretations of the same constitutional clause depending on whether officeholders were elected under proportional or direct systems.

The issue has gained added significance as multiple petitions have been filed with the Supreme Court of Nepal seeking the reinstatement of the dissolved House of Representatives. The court has announced it will hear the petitions together but has not yet set a date. Legal officials have said the lack of constitutional clarity leaves the matter open to judicial interpretation, and that a definitive ruling would be needed to resolve how long Speakers may remain in office after dissolution. [The Kathmandu Post]

Nepal: Internal divisions in former ruling party deepen over timing of party convention and March elections

(lm) Senior leaders of the Nepali Congress, which was the single largest party in the dissolved House of Representatives and a key partner in the coalition government led by former prime minister KP Sharma Oli at the time of parliament's dissolution in September, have publicly signaled growing disagreements over the timing of the party's 15th general convention. The dispute comes amid uncertainty surrounding the House of Representatives elections scheduled for March 5, 2026.

Party leader Shekhar Koirala said the convention, tentatively planned for January 10 to 12, may face a slight delay due to incomplete distribution and renewal of active party memberships, a prerequisite for holding lower-level conventions. While emphasizing that he favors holding the convention on schedule and has announced his candidacy for party president, Koirala

also questioned whether the March parliamentary elections would be feasible, citing the absence of visible election preparations. [The Kathmandu Post 1]

Tensions have intensified between factions aligned with party president Sher Bahadur Deuba and general secretary Gagan Thapa. Thapa accused Deuba of hindering preparations for the convention while continuing to exercise influence despite formally delegating responsibilities to an acting party president during his medical absence. Thapa, Koirala, and their allies argue that the convention should be held before the March elections to allow for leadership renewal, while the Deuba camp favors postponing it until after the polls.

Party officials acknowledged that delays in verifying active memberships across districts have disrupted the sequence of required ward-, municipal-, district-, and provincial-level conventions. Thapa has proposed suspending some lower-tier procedures to meet the January deadline and warned that failure to hold the convention on time could revive demands for a special convention, a move already backed by signatures from a majority of elected party convention representatives. [The Kathmandu Post 2]

Nepal: Alternative political forces consolidate ahead of March parliamentary elections

(lm) In the final days of December, Nepal's emerging alternative political space underwent rapid consolidation ahead of the March 5, 2026 House of Representatives elections. The Rastriya Swatantra Party (RSP)—a reform-oriented party that entered parliament in 2022—formalized a series of political alignments centered on Balendra Shah, the independently elected mayor of Kathmandu since 2022, and Kulman Ghising, the sitting minister for energy, water resources and irrigation.

On December 28–29, RSP chair Rabi Lamichhane and Shah concluded a seven-point "broad unity" agreement following weeks of consultations. Under the arrangement, Lamichhane remains party chair, while Shah is designated as the party's prime-ministerial candidate if RSP emerges as the largest force after the elections. The agreement confirmed that the party's name, election symbol (the bell), leadership structure, and core platform would remain unchanged, while explicitly linking the alliance to demands raised during the September 8–9 Gen Z protests, a nationwide youth-led movement against corruption and

governance failures that preceded the dissolution of parliament. [The Kathmandu Post 1] [The Kathmandu Post 2] [The Kathmandu Post 3]

On December 29, the alignment expanded further when Energy Minister Ghising agreed to join the RSP through a unification deal between the party and the Ujyalo Nepal Party, a smaller political platform associated with him. Under the agreement, Ghising is to assume a vice-chair position within the RSP and was allocated 17 percent of the party's proportional representation candidate list, following negotiations conducted under the deadline set by the Election Commission. All three figures—Lamichhane, Shah, and Ghising—are to contest the elections under the RSP banner and symbol. [The Kathmandu Post 4]

These developments followed an intense period of consultations by Shah in late December, during which he met political leaders, civil society figures, and activists linked to the Gen Z movement. Those talks initially included discussions with Ghising and other alternative actors but did not yield a single, unified front until the late-December agreements were finalized. Shah had also kept open the option of contesting independently by registering a separate party earlier in the month, an option rendered secondary by the subsequent RSP agreements. [The Kathmandu Post 5] [The Kathmandu Post 6] [The Kathmandu Post 7] [The Kathmandu Post 8]

Reactions from Gen Z activists have been mixed. Some injured protesters and movement participants publicly welcomed the consolidation as a potential vehicle for translating protest demands into electoral politics, while others cautioned that the agreements emphasize leadership arrangements and seat-sharing rather than clearly articulated policy commitments. RSP leaders, for their part, stated that the alliances are intended to channel public frustration expressed during the September protests into parliamentary competition within Nepal's existing federal democratic framework. [The Kathmandu Post 9]

Separately, on December 30, the RSP submitted its closed proportional representation list to the Election Commission, which included several public figures new to parliamentary politics, among them cultural figures entering politics for the first time. The party stated that the list reflects its effort to combine established political leadership with candidates drawn from professional, civic, and artistic backgrounds. [The Kathmandu Post 10]

Nepal: Unified communist party to field only first-time candidates under proportional representation

(lm) Nepal's Nepali Communist Party—a recently formed left-wing political alliance created through the merger of multiple communist parties—has decided to nominate only first-time candidates under the proportional representation (PR) component of the electoral system for the March 5, 2026, parliamentary elections.

The Nepali Communist Party was established in November through the unification of ten leftist parties, most prominently the CPN (Maoist Centre) and the CPN (Unified Socialist), alongside the Nepal Socialist Party and several smaller groups. The merger was intended to consolidate Nepal's fragmented left ahead of the elections. The party is coordinated by Pushpa Kamal Dahal, a former prime minister and long-time leader of the Maoist movement.

Against this background, the party has decided that no individual who has previously served as a member of parliament or cabinet minister—whether elected through constituency races or earlier PR lists—will be included in its current PR nominations. Party officials said the final list of 110 PR candidates, submitted by the legal deadline on December 29, consists entirely of new faces who have not previously held parliamentary office.

Nepal's electoral system combines first-past-the-post constituency seats with a proportional representation system, under which parties submit closed lists and receive seats based on their share of the national vote. The PR system is designed to improve inclusion of women and marginalized communities and plays a significant role in determining overall parliamentary composition.

Party representatives said the decision to exclude former lawmakers reflects an effort to signal leadership renewal and differentiate the newly unified party from earlier communist formations. However, the unification process itself did not include all senior figures from the constituent parties. Several prominent leaders from both the Maoist Centre and the Unified Socialist declined to join the merger, highlighting continuing divisions within Nepal's leftist political space even as the new party seeks to present a unified electoral front. [The Kathmandu Post]

Nepal: Two royalist political groups agree to reunify ahead of formal declaration

(lm) Two royalist political groups in Nepal have agreed to reunify, ending a four-year split within the country's monarchist political camp. The agreement was signed in Kathmandu on December 24 and clears the way for a formal unity declaration scheduled for December 31.

The reunification takes place against the backdrop of Nepal's House of Representatives elections scheduled for March 5, 2026, following the dissolution of parliament in September. Party representatives described the move as the culmination of months of negotiations and coordination, including joint participation in pro-monarchy protests earlier this year.

The agreement brings together the Rastriya Prajatantra Party, a monarchist party advocating the restoration of the monarchy and Nepal's status as a Hindu state, and the Rastriya Prajatantra Party–Nepal, a breakaway group formed in 2021 after internal leadership disputes. The split originated in 2021, when Kamal Thapa left the Rastriya Prajatantra Party after losing the party chairmanship election to Rajendra Lingden and subsequently established Rastriya Prajatantra Party–Nepal. Since then, the two groups have operated separately while maintaining closely aligned political positions centered on monarchism and the call for a Hindu state, placing them outside Nepal's current republican constitutional framework. [The Kathmandu Post]

Nepal: Two Madhesi parties agree to reunify ahead of March parliamentary elections

(lm) Two Nepalese political parties with roots in the Madhes-based federalist movement have agreed to reunify ahead of the March 5, 2026, parliamentary elections, signaling a renewed attempt to consolidate their political base after several years of fragmentation.

The Janata Samajbadi Party-Nepal, led by Upendra Yadav, and the Loktantrik Samajbadi Party, led by Mahantha Thakur, reached the decision at a joint meeting of senior office bearers held on December 28. The agreement was confirmed publicly in a joint statement issued on December 29.

In a joint statement, the two leaders said the reunification was driven by a shared assessment of Nepal's current political situation and a common commitment to strengthening the federal democratic republican system, including federalism, proportional inclusion, and social justice. Both parties trace their origins to the Madhes movement—a political and social movement representing communities in Nepal's southern plains that has long sought greater political representation, federal autonomy, and an end to discrimination by the central state.

While agreeing in principle to merge, the parties have yet to finalize the name of the unified party, its election symbol, and aspects of its organizational structure. Party representatives said they plan to contest the March elections under a single common symbol and select candidates through consensus, with remaining issues to be resolved shortly.

Yadav and Thakur have a history of political cooperation and division. In April 2020, Thakur's Rastriya Janata Party merged with Yadav's Sanghiya Samajbadi Party to form the Janata Samajbadi Party. The alliance later fractured, and in August 2021, Thakur split from the party and registered a separate formation, now known as the Loktantrik Samajbadi Party. [The Kathmandu Post]

Nepal: Interim government appoints new foreign minister

(lm) Nepal's interim government has appointed a new foreign minister, with Balananda Sharma sworn into office on December 26. The appointment forms part of the fifth cabinet expansion under Prime Minister Karki, who is heading an interim administration mandated to oversee preparations for the House of Representatives elections scheduled for March 6, 2026. With Sharma's induction, the cabinet now comprises fifteen members.

Sharma is a retired lieutenant general of the Nepali Army, with nearly four decades of military service. He previously played a central role in the post-conflict integration of former Maoist combatants into the Nepal Army following the 2006 peace process, serving as coordinator of the technical committee on army integration. He has also held senior responsibilities in international peacekeeping missions and later served as head of Nepal's Covid-19 Crisis Management Committee during the pandemic. [The Kathmandu Post]

Nepal: Former interior minister testifies before inquiry as Supreme Court clears probe to proceed

(lm) Nepal's former interior minister appeared before a government inquiry commission on December 29, marking a key procedural step in the investigation into the September 8–9 Gen Z protests, which left 77 people dead and thousands injured. The testimony followed a Supreme Court decision last week that removed a legal obstacle to the commission's work.

The former interior minister, Ramesh Lekhak—the political head of Nepal's internal security apparatus at the time of the unrest—testified before the commission chaired by Gauri Bahadur Karki, a former judge appointed to lead the probe. Lekhak resigned on September 8, the first day of the protests, after police fatally shot unarmed demonstrators near the federal parliament. In his testimony and subsequent public remarks, he denied issuing any order authorizing the use of lethal force, stating that decisions on whether and how force is used during protests are legally and operationally taken by security agencies on the ground rather than by political leaders. He said he nevertheless accepted moral responsibility for the casualties on September 8 and stepped down accordingly.

Lekhak drew a sharp distinction between the two days of unrest. He described the September 8 protests as initially peaceful and driven by youth demands related to anti-corruption, good governance, and social media freedoms, before turning violent. By contrast, he characterized the September 9 violence—which involved coordinated arson and attacks on major state institutions, including the prime minister's office complex (Singha Durbar), the Supreme Court, parliament, and the president's residence—as a premeditated and organized operation that should be investigated separately from the protest movement itself. [The Kathmandu Post 1] [The Kathmandu Post 2]

The inquiry commission was established in late September to examine the use of force and subsequent violence during protests that toppled the government of former prime minister KP Sharma Oli. It has now moved from questioning security and administrative officials to summoning political leaders. According to commission officials, more than 150 individuals have already been questioned. Travel restrictions imposed during the investigation have been lifted for several former senior officials after completion of their statements, but remain in place for Oli and Lekhak. [The Kathmandu Post 3]

Lekhak's decision to testify followed internal debate within the Nepali Congress, which was then the largest party in the House of Representatives. Media reports said party president Sher Bahadur Deuba urged caution about appearing before the commission, while other senior party figures publicly called for full cooperation with the probe. [The Kathmandu Post 4] [The Kathmandu Post 5] [The Kathmandu Post 6]

The commission's work proceeded after Nepal's Supreme Court, in a decision reported on December 26, 2025, dismissed a writ petition challenging the legality and impartiality of the inquiry body. A three-judge bench rejected claims that the commission chair and two members were biased due to prior public statements, clearing the way for the inquiry to continue recording testimony. [The Kathmandu Post 7]

A government damage and casualty assessment submitted on December 11 placed the total toll of the protests at 77 deaths and 2,429 injuries, including 17 children under 13 and 1,433 people aged 13 to 28. The report estimated total physical damage at NPR 84.45 billion (USD 616 million). Losses included damage to 2,671 buildings across 2,168 government and public bodies, valued at NPR 39.31 billion (USD 287 million), and damage to 12,659 vehicles worth NPR 12.93 billion (USD 94 million). Overall losses were assessed at NPR 44.93 billion (USD 328 million) in the government and public sector, NPR 33.54 billion (USD 245 million) in the private sector, and NPR 5.97 billion (USD 44 million) in community and other sectors. [The Kathmandu Post 8]

Nepal: 16 firearms and more than 9,000 rounds of ammunition in Jhapa district remain unaccounted for

(lm) According to police officials, the weapons were taken from area police offices in Anarmani and Damak, two urban centers in eastern Nepal's Jhapa district, during unrest linked to the nationwide protests. While some firearms were later recovered from nearby bushes and tea estates, 15 weapons belonging to the Nepal Police have yet to be traced. In addition, one Self-Loading Rifle taken from the Armed Police Force Nepal remains missing.

Unrecovered police weapons include rifles, sub-machine guns, revolvers, a pistol, and gas guns, along with 9,081 rounds of ammunition. The Armed Police Force has also reported missing magazines, ammunition, and gas shells looted during the same period. [The Kathmandu Post]

Pakistan: Former leaders linked to main opposition urge parole for jailed party figures to facilitate dialogue

(lm) A group of former leaders associated with Pakistan Tehreek-e-Insaf (PTI), the party founded by former prime minister Imran Khan, has formally asked the government to grant parole to several jailed senior PTI figures, presenting the move as a confidence-building step to enable political dialogue. The request was submitted through a newly formed National Dialogue Committee and addressed to the prime minister, following renewed public statements by the government expressing conditional openness to talks.

The appeal comes shortly after a special court in Islamabad sentenced Imran Khan and his spouse to lengthy prison terms in a case involving the alleged misreporting of the value of state gifts. PTI has rejected the verdict as politically motivated, while the ruling authorities have maintained that the legal process is independent. The former PTI leaders argued that releasing senior party figures currently held in custody on parole would allow them to participate meaningfully in negotiations and help reduce political polarization.

Pakistan's political environment has remained tense since April 2022, when Imran Khan was removed from office through a parliamentary vote of no confidence. Since then, PTI has alleged a broad state crackdown on its leadership and supporters, while the government has cited legal and security grounds for arrests and prosecutions. Previous efforts at dialogue have stalled, largely over PTI demands for the release of detained party members and investigations into alleged electoral irregularities.

The government has reiterated that it is open to talks but has stressed that negotiations cannot proceed under what it describes as unlawful pressure. As of the reporting date, PTI had not issued a formal response to the latest government position, while some senior party representatives have publicly stated that dialogue should remain an option alongside political mobilization. [Arab News]

Pakistan: Jailed ex-prime minister and spouse appeal corruption conviction over undeclared state gift

(as) Pakistan's jailed former prime minister and his spouse have filed separate appeals before the Islamabad High Court challenging their convictions and 17-year prison sentences in a corruption case linked to the handling of an official foreign gift. The appeals seek to overturn a verdict delivered by a special court on December 20.

The appellants are Imran Khan, who served as prime minister from 2018 to 2022, and Bushra Bibi, his wife. The case concerns Pakistan's Toshakhana system—a state-run repository that records and regulates gifts received by public office holders from foreign dignitaries and allows retention only under defined payment and disclosure rules. The prosecution argued that a luxury Bulgari jewelry set received during an official visit in 2021 was retained after being purchased at a heavily discounted price.

According to court records, the jewelry was assessed at approximately PKR 80 million (USD 960,000) but was acquired for PKR 2.9 million (USD 34,800). Prosecutors alleged this constituted misuse of authority and criminal breach of trust. The investigation was conducted by the Federal Investigation Agency after the case was transferred from the National Accountability Bureau. [AiR No. 51, December/2025, 4]

In their appeal filings, the defendants argue that the prosecution was politically motivated and intended to keep the former prime minister incarcerated and excluded from political life. They contend that the investigation was procedurally flawed, citing the absence of a registered first information report, the rapid filing of the charge sheet, and insufficient time for a fair inquiry. The appeals also raise a double-jeopardy argument, noting that this case represents a separate prosecution following earlier Toshakhana-related convictions involving different gifts.

The defense further challenges the application of the 2018 Toshakhana policy, under which gifts may be retained upon payment of an assessed amount. The appeals argue that the policy does not itself create criminal liability. The former prime minister's filing disputes the trial court's finding that he qualified as a "public servant" for the purposes of criminal breach of trust, while Bushra Bibi's appeal argues that, as a private individual who never held public office, her conviction lacks lawful basis. [DAWN]

The appeal adds to the former prime minister's existing legal exposure. He has been imprisoned since August 2023 and is already serving a 14-year sentence in a separate corruption case involving approximately GBP 190 million (about USD 240 million), while also

facing pending trials linked to unrest in May 2023. Bushra Bibi is serving a seven-year sentence in the same corruption matter.

Pakistan: Former intelligence chief appeals military court conviction

(lm) Pakistan's former intelligence chief Faiz Hameed has filed an appeal against the 14-year prison sentence imposed earlier this month by a military court. The appeal was submitted through the military's appellate mechanism under the Pakistan Army Act and represents the next procedural step in a case that remains unusual in Pakistan's political and security context, given the rarity of military court convictions of former senior intelligence officials.

The conviction, announced on December 11, followed court martial proceedings in which Hameed was found guilty of engaging in political activity after retirement, misusing authority and state resources, and violating the Official Secrets Act during and after his tenure as director-general of the Inter-Services Intelligence from 2019 to 2021. [AiR No. 50, December/2025, 3]

Hameed was arrested in August 2024, initially in connection with allegations of coercive property seizures linked to a private housing development near Islamabad. Those allegations expanded into broader court martial proceedings after the military said multiple violations of military law had been established. The military has stated that the trial complied with procedural requirements and that Hameed retained the right to appeal.

Hameed has been widely viewed as close to former prime minister Imran Khan, serving as ISI chief during most of Khan's time in office. Pakistan's military has separately accused Hameed of involvement in political agitation linked to unrest following Khan's arrest in May 2023, allegations that are being handled in separate proceedings. [Arab News]

Pakistan: Government designates UK-based ex-army officer as proscribed person under Anti-Terrorism Act

(lm) Pakistan's federal government has placed Adil Raja, a UK-based former army officer and online political commentator, on the Fourth Schedule of the Anti-Terrorism Act, 1997. The designation was made

under Section 11EE of the Act, which allows authorities to list individuals if there are reasonable grounds to believe they are involved in terrorism-related activity or associated with organizations under observation.

The interior ministry stated that Raja had misused online platforms to promote and amplify what it described as anti-state narratives and propaganda linked to proscribed terrorist organizations, asserting that his activities posed a serious threat to Pakistan's security, integrity, and public order. Individuals placed on the Fourth Schedule are subject to enhanced monitoring and restrictions on movement.

Pakistani officials have previously accused Raja of conducting propaganda campaigns from abroad. Earlier this month, the interior minister formally handed extradition-related documents concerning Raja to the British high commissioner in Islamabad. The UK government has not publicly commented on the extradition request.

Separately, Raja was among two retired army officers convicted by a military court in 2023 under the Army Act and the Official Secrets Act, and was sentenced to 14 years' imprisonment. [Arab News]

Pakistan: Government approves framework for National Energy Plan to address electricity costs

(lm) Pakistan's federal government has approved the framework for a National Energy Plan aimed at reducing electricity costs for industrial users and domestic consumers. The decision was taken during a meeting of the Cabinet Committee on Energy, which oversees policy coordination in the power and energy sectors. The plan is to be developed in consultation with federal ministries and provincial governments, with instructions issued to ensure a coordinated and workable national strategy.

High electricity costs have been a persistent issue in Pakistan, affecting industrial production costs and household expenses. Official statements cited inefficiencies in the power sector, reliance on imported fuels, fuel price volatility, transmission losses, power theft, and circular debt as factors contributing to elevated tariffs. The National Energy Plan framework is being developed alongside ongoing energy-sector reforms and follows the announcement earlier in 2025 of a revised energy policy intended to attract USD 5 billion in investment through public–private partnerships. [Arab News]

Pakistan: Economists warn of debt sustainability risks amid rise in foreign borrowing

(lm) Pakistani economists have cautioned the government about debt sustainability risks as foreign loan inflows increased during the first five months of the current fiscal year. Between July and November of fiscal year 2026, Pakistan received USD 2.98 billion in financing from bilateral and multilateral lenders, representing an increase of about 16 percent compared to the same period last year.

Official data show that Pakistan plans to raise USD 19.8 billion in external loans by June 2026, including USD 16.7 billion in non-project financing and USD 3.11 billion in project loans. Expected lenders include multilateral institutions such as the Asian Development Bank, the Asian Infrastructure Investment Bank, the Islamic Development Bank, and the International Monetary Fund, as well as bilateral partners including China, Saudi Arabia, Japan, and several European states.

The financing plan also includes budgetary support, short-term loans, deferred oil payment arrangements, project loans, international bond issuance, commercial bank borrowing, and time and safe deposits from partner countries. Economists quoted in the report noted that Pakistan's foreign exchange reserves, estimated at USD 15.9 billion, largely consist of IMF-related support and deposits from partner countries rather than export earnings or foreign direct investment.

The warnings come against the backdrop of Pakistan's continued external financing needs following the balance-of-payments crisis that brought the country close to default in 2023 before IMF support was secured. While economists acknowledged recent improvements such as lower inflation and short-term current account management, they highlighted that exports and foreign direct investment have remained weak, while external debt servicing requirements stand at USD 25.8 billion for the year, underscoring ongoing concerns about long-term debt sustainability. [Arab News]

Pakistan: Government expands Shariah-compliant debt through record sukuk issuance

(lm) Pakistan issued more than PKR 2 trillion (USD 7 billion) in sukuk during the past year, marking the highest volume of Islamic bond issuance in a single year since 2008 and moving closer to its target of making 20 percent of government debt Shariah-compliant by the 2027–28 fiscal year. Sukuk are Islamic financial instruments structured to comply with Shariah law, which prohibits interest.

The issuance follows a 2022 ruling by the Federal Shariat Court, which ordered Pakistan to transition its entire banking system to Islamic principles by 2027. In response, the government and the State Bank of Pakistan have been gradually replacing interest-based treasury instruments with Shariah-compliant alternatives, supported by legal and regulatory adjustments.

According to official figures, Pakistan carried out 61 sukuk issuances across one-, three-, five-, and ten-year tenors. During the same period, the country also launched its first Green Sukuk, a Shariah-compliant instrument aimed at financing environmentally sustainable projects. Authorities said the Green Sukuk was 5.4 times oversubscribed, indicating demand significantly exceeded the planned issuance amount.

As a result of these measures, the share of Islamic instruments in Pakistan's domestic government debt rose from 12.6 percent in mid-year to about 14.5 percent by year-end. [Arab News]

Pakistan: Privatization of national airline completed as new owners outline long-term turnaround

(lm) Pakistan has completed the long-delayed privatization of Pakistan International Airlines, with a Pakistani investor consortium acquiring a 75 percent stake for PKR 135 billion (USD 482 million), valuing the airline at PKR 180 billion (USD 643 million). Subject to remaining regulatory and cabinet approvals, operational control of the airline is expected to transfer to the new owners in April 2026. The transaction follows two earlier failed privatization attempts and represents Pakistan's first major state-asset sale in several years.

The consortium is led by the Arif Habib Group, whose chief executive has said the airline is likely to remain loss-making for one to two years before moving toward profitability over the medium term. The group plans to invest about USD 400 million to absorb initial losses, fund capital expenditure, and overhaul

operations. PIA currently carries liabilities of about PKR 9 billion (USD 32 million) and has accumulated more than USD 2.8 billion in losses over past decades due to governance failures, political interference, overstaffing, and operational shortcomings. [Arab News 1] [Arab News 2] [Arab News 3]

The privatization has been closely monitored by the International Monetary Fund, which has repeatedly pressed Pakistan to reduce fiscal pressures caused by loss-making state-owned enterprises under its financial support program. Pakistan's political leadership has presented the sale as evidence of renewed reform momentum following macroeconomic stabilization, while acknowledging that overall growth remains insufficient to meet demographic pressures. [Arab News 4]

In parallel, the government confirmed that it is still structuring a separate transaction for the Roosevelt Hotel in New York, a century-old Manhattan property owned by PIA through its investment arm. Officials stated that several options remain under consideration, including continued hotel operations or a joint-venture arrangement, and that no final decision has yet been reached. The hotel, closed since 2020 due to losses, remains part of Pakistan's broader review of overseas state-owned assets under its privatization drive. [Arab News 5]

Pakistan: ADB signs major financing package for state-owned enterprise reforms and power transmission upgrades

(lm) Pakistan has signed two loan agreements with the Asian Development Bank totaling USD 730 million to advance long-delayed state-owned enterprise reforms and strengthen the national power transmission network. The financing consists of USD 400 million for a State-Owned Enterprise Transformation Program and USD 330 million for a Power Transmission Strengthening Project. The agreements were concluded in Islamabad on December 25 and follow formal approval of the SOE reform loan earlier in December. [Arab News]

Pakistan: IFC launches local-currency financing facility to support agricultural value chain

(lm) The International Finance Corporation—the private-sector financing arm of the World Bank Group—has launched a PKR 33.6 billion (USD 120 million) financing facility to support Pakistan's agricultural value chain, focusing on fertilizer supply and farmer support programs. According to the IFC, the facility enables long-term Pakistani rupee-denominated financing from the local subsidiary of the UK-based international bank Standard Chartered to Engro Fertilizers Limited, one of Pakistan's largest producers of urea and other agricultural fertilizers. [Arab News]

Pakistan: Military leadership emphasizes multi-domain preparedness and warns against political divisions affecting armed forces

(lm) Pakistan's senior military leadership has underscored the need for heightened preparedness across multiple security domains and warned against political dynamics that could undermine cohesion between the armed forces and the public. The messages were conveyed in separate engagements led by Field Marshal Syed Asim Munir, Pakistan's Chief of Army Staff, during the past week.

Addressing participants of the National Security and War Course at the National Defence University in Islamabad, Field Marshal Munir highlighted what he described as a complex and evolving security environment. He said Pakistan faces layered challenges spanning conventional and sub-conventional military threats, intelligence, cyber and information warfare, as well as economic pressures. He emphasized that these conditions require comprehensive "multi-domain preparedness," continuous adaptation, and coordination across all elements of national power. His remarks were made against the backdrop of recent tensions with India earlier in the year and ongoing militant violence in Pakistan's western regions, alongside concerns raised by the military about disinformation and indirect security threats. [Arab News 1]

Separately, Field Marshal Munir chaired the 273rd Corps Commanders Conference at military headquarters in Rawalpindi, where senior commanders reviewed the internal and external security situation and operational readiness. The forum resolved that no political or other interests would be allowed to create divisions between the armed forces and the people or undermine national unity, security, and stability. The conference also

rejected what it described as links between terrorism, crime, and vested political interests, and reviewed recent intelligence-based counterterrorism operations. [Arab News 2]

Pakistan: Militant violence escalates in 2025 as fatalities rise sharply and security operations intensify in western border regions

(lm) Pakistan recorded a significant escalation in militant violence in 2025, with combat-related deaths rising by 73 percent compared to the previous year and security forces conducting sustained counterterrorism operations in the country's western border regions. According to data released by the Pakistan Institute for Conflict and Security Studies, a total of 3,387 people were killed in conflict-related incidents during the year, including 2,115 militants, 664 security personnel, 580 civilians, and 28 members of pro-government peace committees. Militant attacks increased to 1,063 incidents, the highest annual total since 2014, while suicide attacks rose to 26, up from 17 a year earlier. [Arab News 1]

Violence remained concentrated in Khyber Pakhtunkhwa and Balochistan, both of which border Afghanistan and face distinct but overlapping security challenges. In Khyber Pakhtunkhwa, attacks are primarily attributed to the Tehreek-e-Taliban Pakistan, a religious militant organization that intensified operations following the Afghan Taliban's return to power in Kabul in 2021. In Balochistan, violence is driven mainly by separatist groups such as the Baloch Liberation Army, which has waged a long-running insurgency demanding greater autonomy and control over local resources.

The rise in fatalities coincided with frequent intelligence-based operations by police and military units. During late December, security forces reported killing militants in multiple districts, including Kalat, Kohlu, and Panjgur in Balochistan, and Karak, Bajaur, Dera Ismail Khan, and Lakki Marwat in Khyber Pakhtunkhwa. Authorities said weapons, ammunition, and explosives were recovered, militant hideouts were dismantled, and follow-up clearance operations were conducted. Several operations resulted in casualties among security forces, including the death of an army major during an operation in Bajaur. [Arab News 2] [Arab News 3] [Arab News 4] [Arab News 5] [Arab News 6]

Detailed police reporting from Bannu, a district bordering the former federally administered tribal areas, illustrated the sustained intensity of violence at the local level. Bannu police reported that 27 police personnel were killed and 79 injured in 134 militant attacks during 2025, with targets including police stations, checkpoints, patrols, and installations. Militants also carried out 20 drone attacks in the district, killing nine civilians and injuring 19 police officers. Over the year, police conducted 168 intelligence-based operations, resulting in the arrest of 105 militants and the killing of 65 others. Authorities said the installation of an anti-drone system in July significantly reduced the success rate of drone attacks. [Arab News 7]

Pakistani authorities have repeatedly attributed the surge in militancy to armed groups operating from across the border in Afghanistan, citing cross-border movement and sanctuary, as well as to alleged external backing from India. Both Kabul and New Delhi deny these allegations. The government has stated that counterterrorism operations will continue nationwide under a federally approved campaign aimed at containing militancy and restoring security.

Security forces killed 10 militants in two intelligence-based operations conducted on December 24. Eight militants were killed during an operation in the Kalat district of Balochistan province, while two members of the Tehreek-e-Taliban Pakistan (TTP) were killed in a separate operation in the Dera Ismail Khan district of Khyber Pakhtunkhwa province. The military said weapons and ammunition were recovered from those killed.

Pakistan: Police detain teenage girl radicalized online in suspected suicide attack plot

(lm)(Pakistani police detained a teenage girl in Sindh province during the past week after authorities said she had been radicalized online and recruited to carry out a suicide attack. Officials said no criminal charges would be filed and that the girl would be placed under state protection, describing her as a victim of extremist recruitment rather than a suspect.

According to provincial authorities, the girl was stopped during a routine police check while traveling by bus from Balochistan to Karachi, where she was allegedly instructed to meet a handler. During questioning, police said she appeared confused and later disclosed that she had been in contact for several

months with operatives linked to the Baloch Liberation Army through social media platforms. Authorities said the group encouraged her by portraying suicide attacks as a source of honor and recognition.

Officials stated that the Baloch Liberation Army, which has waged an insurgency since the early 2000s seeking greater autonomy or independence for Balochistan, has increasingly sought to recruit women for attacks. In 2022, a female suicide bomber linked to the group killed three Chinese nationals near a university campus in Karachi. The group was designated a terrorist organization by the United States earlier this year. [Arab News]

Sri Lanka: Cyclone exposes labor losses, accelerates relief measures, and raises oversight concerns

(lm) A series of official assessments and government decisions following Cyclone Ditwah—a severe tropical weather system that struck Sri Lanka in early December, causing widespread flooding and landslides across northern, eastern, and central districts—highlight the scale of economic disruption, emergency relief efforts, and institutional challenges facing the country.

A new brief by the International Labour Organization (ILO) estimates that up to 374,000 workers have been affected by floods and landslides linked to the cyclone, with potential income losses of about USD 48 million per month. The ILO warns that livelihoods linked to roughly 16 percent of gross domestic product are exposed, with agriculture and fisheries among the hardest-hit sectors. Flooding has affected up to 23 percent of rice-growing land, while preliminary estimates suggest tea output losses could reach 35 percent, disproportionately impacting smallholder producers. The ILO has called for immediate cash assistance, employment-intensive recovery programs, and stronger medium-term social and labor protections. [Daily Mirror 1]

In response, the government announced that households affected by the cyclone will receive LKR 500,000 (approximately USD 1,700) each without individual damage assessments, a move aimed at speeding up relief for more than 120,000 partially damaged homes. Families may opt out of the flat payment if they prefer a formal assessment that could result in higher compensation. Separately, the Ministry of Women and Child Affairs has launched a registration process for women and children affected by the

disaster, requiring submissions by January 6, 2026, as part of targeted assistance efforts. [Daily Mirror 2] [Daily Mirror 3]

Alongside emergency responses, senior officials from the Ministry of Industries and Entrepreneurship Development stated that Sri Lanka could expand its economy to USD 300 billion by 2030, despite disruptions caused by the cyclone. Officials cited productivity improvements as central to this objective, noting that around 550 exporters were directly affected by Ditwah but that authorities still expect the country to meet an export target of USD 18 billion for the current year. Sri Lanka's economy was estimated at approximately USD 98.94 billion at present, with preparatory work under way to support longer-term expansion through productivity-focused reforms and regional cooperation frameworks. [Daily Mirror 4]

At the same time, concerns have been raised over financial oversight in the post-disaster response. Harsha de Silva, chair of the Committee on Public Finance, has urged President Anura Kumara Dissanayake to appoint an Auditor General, noting that the absence of the post complicates parliamentary oversight and auditing of the newly established "Rebuilding Sri Lanka Fund." The tenure of the acting Auditor General expired earlier in December, and the appointment of a permanent successor has been delayed after nominations were rejected by the Constitutional Council. [Daily Mirror 5]

Sri Lanka: Supreme Court petitions announced over cyclone disaster management and warning failures

(lm) Two separate Fundamental Rights petitions linked to Cyclone Ditwah—a severe tropical weather system that struck Sri Lanka in early December, causing widespread flooding and landslides across northern, eastern, and central districts—have been filed or announced before the Supreme Court.

In the first case, a lawyer based in Kandy has filed a petition alleging that the President, the Cabinet of Ministers, the National Council for Disaster Management, and other state authorities failed to take timely and coordinated disaster mitigation measures despite advance notice of the cyclone. The petition names senior executive and disaster-management institutions as respondents and alleges that established disaster management protocols, including reservoir water-release procedures within the Mahaweli river system—Sri Lanka's main hydropower

and irrigation network—were not followed. It seeks a judicial declaration that the petitioner's constitutional rights were infringed due to these alleged omissions, citing damage to public and private property in areas including Kandy and Peradeniya.

Separately, the Free Lawyers' Association, a legal group aligned with opposition parties, has announced plans to file an additional petition by mid-January. This petition is expected to challenge the failure of government institutions responsible for meteorology and irrigation to issue timely public warnings ahead of the cyclone, and to allege violations of the public's Fundamental Rights arising from those omissions. [Daily Mirror 1] [Daily Mirror 2]

Sri Lanka: Colombo mayor says budget process will continue after first-reading defeat

(lm) The budget process at the Colombo Municipal Council, the local government body administering Colombo, will proceed to a second reading after the council's budget failed to pass its first vote, according to Mayor Vraie Cally Balthazaar. She said amendments may still be introduced and that the budget is expected to come into effect within two weeks, allowing municipal services and development projects to continue. [Daily Mirror 1]

The first-reading defeat in Colombo followed similar outcomes in recent weeks at other local authorities controlled by the ruling National People's Power, where budget proposals have also failed to secure council approval. [AiR No. 51, December/2025, 4]

Ahead of the second presentation, opposition representatives alleged that ruling-party figures encouraged opposition councillors to stay away from council sessions in order to facilitate the budget's passage. These allegations were rejected by the deputy mayor, who denied that any inducements had been offered [Daily Mirror 2]

In parallel, a former opposition parliamentarian rejected social media claims that opposition figures had celebrated the earlier budget defeat, stating that a widely circulated video showed a private gathering held in October and was unrelated to CMC proceedings. [Daily Mirror 3]

Sri Lanka: Anti-corruption commission opens asset investigations into six ministers

(lm) Sri Lanka's Commission to Investigate Allegations of Bribery or Corruption has initiated investigations into the assets of six serving ministers under the Money Laundering Act. The probe follows a formal complaint submitted in September by the chair of a civil society organization focused on corruption and waste, prompting the Commission's Illegal Assets Division to open inquiries under the Anti-Corruption Act, No. 9 of 2023, which governs asset investigations and related offences.

The Commission has informed the complainant that he is required to appear before investigators to record a statement and submit supporting documentation. One of the ministers named is already subject to a separate, ongoing investigation linked to alleged financial misconduct during a previous tenure at a state-owned enterprise, with the Commission having indicated its intention to pursue legal action in that earlier case as well. Additional complaints concerning the assets of other ministers have also been lodged by opposition parties and civil society groups in recent months. [Daily Mirror]

Sri Lanka: Opposition leaders, government ministers clash over media regulation following cyclone coverage

(lm) Sri Lanka's opposition parties have intensified coordination and public criticism of the government over proposed action against media outlets that reported on the recent cyclone. Opposition Leader Sajith Premadasa, who heads the Samagi Jana Balawegaya, met senior figures of the United National Party to discuss national challenges and policy responses. [Daily Mirror 1]

In parallel, opposition parties including the Samagi Jana Balawegaya, the Sri Lanka Podujana Peramuna, and the United National Party publicly opposed what they described as government moves to take action against media organizations that covered the disaster. Senior SLPP figure Namal Rajapaksa said it was inappropriate to penalize media institutions for reporting on the crisis. Sajith Premadasa stated that his party would take steps to prevent what he characterized as suppression of media freedom and warned of risks to democratic institutions. [Daily Mirror 2] [Daily Mirror 3]

The government rejected the allegations. Nalinda Jayatissa, Minister of Health and Mass Media, said print, electronic, and social media remain free to criticize the government. He stated, however, that authorities are required to act against what they consider false or distorted reporting, citing concerns related to national security, post-cyclone recovery efforts, and public confidence in the health sector. He added that any intervention would occur after publication and would be corrective rather than censorial. [Daily Mirror 4]

Constitutional Law and –Politics, Human Rights and National Security in Southeast Asia

Cambodia: All drone flights nationwide banned amid ongoing border tensions

(dql) Cambodia's Ministry of National Defence has ordered a nationwide prohibition on drone operations without official authorization, citing public safety and security concerns.

The ban applies across all provinces, with stricter enforcement in the seven provinces bordering Thailand and in Pursat. Security forces, including the army, air force, and military police, have been tasked with monitoring and responding to violations, potentially using anti-drone measures. [Cambodianess]

Indonesia: Flood crisis in Aceh revives memories of past separatist struggles

(ms) Anger over the Indonesian government's slow response to devastating floods in Aceh has spilled onto the streets, with protesters displaying separatist symbols that evoke one of the country's most sensitive regional conflicts, underscoring how humanitarian crises can quickly intersect with unresolved political grievances.

Nearly five weeks after floods and landslides struck northern Sumatra in late November, parts of Aceh remain severely affected. Extreme weather linked to Cyclone Senyar killed more than 1,100 people across northern Sumatra, damaged over 170,000 homes, and displaced close to 400,000 residents. Aceh has borne the heaviest toll, accounting for nearly half of the fatalities and most evacuees, many of whom still lack reliable access to clean water, food, electricity, and medical care.

Frustration over the pace of aid delivery has triggered protests in several districts. In some cases, demonstrators unfurled the red crescent-and-star flag historically associated with the Free Aceh Movement, a powerful symbol in a province that fought a three-decade separatist war against Jakarta before a peace agreement was signed in 2005. Protesters have called on President Prabowo Subianto to declare the floods a national disaster, a move that would unlock additional emergency funds and streamline coordination, and would allow governments to accept foreign aid, that they currently have to refuse, despite desperate need. [see AiR No. 51, December/2025, 3]

The reappearance of separatist imagery has drawn attention because Aceh's conflict history remains central to its political identity. The insurgency, rooted in demands for greater control over natural resources and resentment toward central authority, ended after the 2004 Indian Ocean tsunami devastated the province. That catastrophe, which killed more than 170,000 people in Aceh alone, reshaped relations between Jakarta and the region, leading to special autonomy and the formal disbandment of the rebel movement.

The current protests do not necessarily signal a revival of separatism but reflect how deeply disaster response is intertwined with trust in the state. Aceh's autonomy arrangements grant it special political and fiscal powers, yet residents have long complained that, in moments of crisis, decision-making still feels distant and slow. The floods have also hit neighboring parts of Sumatra, a region with its own history of center–periphery tensions, amplifying perceptions that outer regions remain vulnerable when national attention is focused elsewhere.

Government officials have downplayed the political significance of the flags, emphasizing that relief efforts are ongoing. Still, the episode highlights a recurring pattern in Aceh: when humanitarian needs to go unmet, historical grievances resurface quickly.

Additionally, the usage of this kind of resistance flag is a reoccurring pattern across the country. Just during the country-wide protests, the *Straw-hat* flag from the famous Anime *One Piece* was displayed as a sign of resistance against the government. [The Jakarta Post]

Indonesia: Christmas remissions as scrutiny over too weak graft penalties persists

(ms) The Indonesian governments has granted Christmas sentence reductions to more than 16,000 inmates, including high-profile corruption convicts, renewing public debate over whether the country's justice system remains too lenient on graft.

The Ministry of Immigration and Corrections said 16,078 prisoners received special remissions during the Christmas season, with 174 inmates released immediately and the rest seeing their sentences shortened. Officials said the policy reduced prison overcrowding and saved the state IDR 9.47 billion, equivalent to about USD 610,000, in incarceration costs.

Among those granted a one-month reduction were businessman Harvey Moeis and former communications and information minister Johnny G. Plate. Moeis was convicted in 2024 for his role in illegal tin mining linked to state-owned miner PT Timah, a case prosecutor said caused losses of around IDR 300 trillion (approximately USD 19 billion). Plate was sentenced in 2023 to 15 years in prison for corruption in a telecommunications infrastructure project that authorities said resulted in losses of about IDR 8 trillion (around USD 520 million).

While sentence remissions are legally provided for and routinely granted during religious holidays, critics say their application to major graft convicts reinforces perceptions that Indonesia remains soft on corruption. A recent report by Indonesia Corruption Watch (ICW) found that corruption convicts sentenced in 2024 received an average prison term of just over three years, classified as "light" under Supreme Court guidelines, even in cases involving large state losses. [see AiR No. 50, December/2025, 3]

ICW also reported that asset recovery remains weak, with only about 4 percent of identified state losses recovered in 2024. Legal analysts note that while courts have broad discretion and may reduce sentences for cooperation or good conduct, limited confiscation of illicit assets continues to undermine deterrence.

As Indonesia approaches two decades since ratifying the UN Convention Against Corruption, observers say the combination of relatively short sentences, modest asset recovery and routine remissions continues to shape public skepticism about the effectiveness of the country's anti-graft efforts. [Antara] [The Jakarta Post]

Indonesia: Country's largest Islamic organization agrees to early congress to resolve leadership dispute

(ms) Indonesia's largest Islamic organization, Nahdlatul Ulama (NU), has agreed to convene an early national congress next year in an effort to address an internal leadership dispute that has exposed structural and political tensions within the group.

The decision was reached on December 26 during a meeting involving NU chairman Yahya Cholil Staquf and Rais Aam Miftachul Akhyar, who leads the organization's supreme religious council. Senior clerics and advisers, including former vice president Ma'ruf Amin, supported the move as a constitutionally grounded way to prevent further fragmentation. The timing, venue, and technical arrangements of the congress, or *Muktamar*, will be determined by a joint committee formed by the two camps.

The agreement follows weeks of disagreement rooted in NU's dual leadership structure. While the *Syuriyah* council holds religious authority, administrative leadership rests with the executive board headed by an elected chairman. Earlier this month, the *Syuriyah* declared Yahya removed from office and appointed an acting leader, a decision rejected by the executive board on the grounds that it was not provided for under NU's bylaws. Yahya has maintained that only a *Muktamar* has the authority to decide leadership matters. [see AiR No. 51, December/2025, 3]

Tensions had been building for months. Yahya faced criticism from senior clerics after inviting a pro-Israel scholar to an internal forum in August, a move some members viewed as inconsistent with NU's long-standing pro-Palestinian position. This was followed by allegations of financial mismanagement within the

executive board, which further strained relations between NU's governing bodies.

Regional NU leaders had already raised the option of a snap leadership election during a December 22 *musyawarah kubro* in Kediri, attended by hundreds of regional executives and clerics. That meeting outlined reconciliation talks, the formation of a neutral organizing committee, or an early election as possible paths forward. [The Jakarta Post]

Indonesia: Eight new oil and gas blocks open for tender as Energy-security push collides with proclaimed climate goals

(ms) Indonesia has launched a new tender for eight oil and gas blocks, a move officials describe as an effort to rebuild reserves and slow production declines, contrasting with years of promoting a cleaner-energy pivot.

The Energy and Mineral Resources Ministry began marketing the blocks on December 22, with bid submissions due by February 5, 2026, according to the tender document cited by international media. The portfolio includes both onshore and offshore areas—Tapah, Nawasena, Mabelo, Arwana III, Tuah Tanah, Rangkas, Akimeugah I, and Akimeugah II—spanning regions from Sumatra to eastern Indonesia.

Officials have framed the auction as part of a broader strategy to cut import dependence and reverse a long-running output slide. Indonesia's 2025 oil lifting target was 605,000 barrels per day, while actual January–May output averaged 567,900 bpd, Reuters reported in June. Government targets cited publicly range as high as 1 million bpd later this decade, reflecting concern over the country's fuel trade balance and currency pressures.

The push comes as Indonesia still maintains formal climate ambitions, including a net-zero-by-2060 goal and a plan—under the Just Energy Transition Partnership—to lift renewables' share of the power mix to 44 percent by 2030. But policy choices over the past year have increasingly prioritized near-term energy security and fiscal needs, even as the JETP has moved more slowly than initially advertised and lost the United States as a funder in 2025. [IDN Financials] [Oil Price]

Indonesia: New museum for labor activist Marsinah rekindles debate over historical accountability

(ms) Indonesia has begun building a museum honoring Marsinah, a labor activist murdered in 1993 during the authoritarian rule of former president Suharto. While Marsinah's recognition as a national hero has been broadly welcomed, the project has renewed criticism over the government's decision to name Suharto a national hero in the same year.

East Java Governor Khofifah Indar Parawansa said the Marsinah National Hero Museum in Nganjuk aims to educate younger generations about courage, justice, and the struggle for workers' rights. The museum will display Marsinah's letters, diary entries, and personal belongings, documenting her role in labor protests demanding higher wages and dignity for factory workers. [Antara]

Marsinah was abducted, tortured, and killed after taking part in labor demonstrations at a time when independent unions were banned and labor activism was routinely met with repression under Suharto's New Order regime. Her murder became one of the most powerful symbols of state violence against workers and dissidents, and the case has never been conclusively resolved.

Honoring Suharto alongside Marsinah represents a form of historical revisionism. As it minimizes the responsibility of the New Order state for systemic violence against activists, students, and civilians — including the murder of labor organizers like Marsinah — and risks reframing victims and perpetrators within the same official narrative of national heroism.

The museum also placed renewed attention on President Prabowo Subianto, who formally granted the national hero titles. Prabowo was a senior military officer during the final years of Suharto's rule and has faced longstanding allegations of involvement in human rights abuses from that period, which he has consistently denied.

Indonesia: Prosecution seeks one-year prison term for ASEAN-linked staffer over August protest post

(ms) Indonesian prosecutors are seeking a one-year prison sentence for Laras Faizati Khairunnisa, a communications officer at an organization affiliated

with the ASEAN Secretariat, accusing her of inciting violence during nationwide unrest in August.

Prosecutors presented their sentencing demand, arguing that Laras violated Article 161 of Indonesia's Criminal Code by posting an Instagram Story that authorities say encouraged mass violence against the National Police. The post, written in English, referred to her office's proximity to police headquarters and included language prosecutors said amounted to a call to burn the building and attack officers.

The case is linked to large-scale protests in late August, which were triggered by public anger over alleged police brutality, rising living costs, and perceived political privilege among lawmakers. While many demonstrations began peacefully, several escalated into clashes after security forces moved to disperse crowds. Rights groups documented the use of tear gas, batons, and mass arrests, with videos circulating online showing protesters being beaten and detained, including students and minors.

Authorities say Laras' post posed a direct threat to public order amid the unrest. Prosecutors told the court that witness testimony, expert analysis, and digital evidence showed she acted "with full awareness" that her content could incite violence. They also asked judges to order the destruction of evidence, including the smartphone used to upload the post.

Laras' defense team has argued that the Instagram Story was rhetorical and did not result in any specific violent act. They have also stressed that she was acting in a personal capacity and not on behalf of any international organization. ASEAN officials have said the institution has no involvement in the case.

Human rights organizations say the prosecution is part of a broader post-protest crackdown, with authorities increasingly using incitement and cybercrime provisions to pursue activists and critics following the August demonstrations. Several other protest figures face similar charges. While the requested sentence is relatively short, the case could carry wider implications for how online speech during periods of civil unrest is treated under Indonesian law. The court is expected to issue a verdict in early 2026. [The Jakarta Post]

Indonesia: 4 million hectares of illegally used land reclaimed

(ms) In December, Indonesia has reclaimed more than 4 million hectares of land that authorities say was used

illegally for mining, palm oil plantations, and forestry, marking the country's largest land seizure to date as the government intensifies oversight of natural resource industries.

The announcement was made on December 24 by Attorney General Sanitiar Burhanuddin, who said the seized land is valued at more than 150 trillion rupiah (USD 8.9 billion). The move fulfills a target set earlier this month under President Prabowo Subianto's directive to curb illegal land use and strengthen state control over strategic sectors.

According to the Attorney General's Office, more than 2.4 million hectares have already been transferred to government ministries and state-owned entities. This includes around 1.7 million hectares of palm oil plantations handed to PT Agrinas Palma Nusantara. An additional 700,000 hectares are earmarked for ecosystem restoration and reforestation.

Authorities said the land seizures are part of broader efforts to address long-standing legal and environmental violations while increasing state revenue. So far, the government has collected 2.3 trillion rupiah in land-use fines, alongside 4.3 trillion rupiah recovered through corruption cases linked to the natural resources sector. [Bloomberg] [Reccessary]

Indonesia: 2026 countrywide minimum wage increases

(ms) Indonesia will implement higher minimum wages across most provinces in 2026 under a revised wage-setting framework, a policy shift that places renewed focus on balancing worker income protection with business cost considerations and regional economic conditions.

The new formula, enacted in December by President Prabowo Subianto, calculates annual minimum wage adjustments using inflation plus economic growth multiplied by an "alpha" coefficient. For 2026, the permitted alpha range was expanded to between 0.5 and 0.9, compared with 0.1 to 0.3 in previous years, allowing regional wage councils to recommend larger increases within nationally defined parameters.

Based on this formula, most provinces approved minimum wage hikes of roughly 5 percent to 7 percent. Jakarta set its 2026 provincial minimum wage at IDR 5.73 million (USD 341), an increase of 6.17 percent from 2025. In the Riau Islands, Batam again recorded one of the highest minimum wages nationally

at IDR 5.36 million (USD 322), reflecting its role as a major manufacturing and logistics center. Several provinces in Sumatra and Sulawesi adopted increases above the national average, while others opted for more moderate adjustments.

Government officials say the revised framework is intended to better align wages with inflation trends and economic performance, while maintaining consistency across regions. According to data from the Central Statistics Agency, inflation has moderated compared with earlier periods, though household expenditures remain elevated in some categories, particularly food.

Labor unions have welcomed the higher alpha range but maintain that wage adjustments remain insufficient to fully offset living costs, especially in urban areas. Employers and industry groups, meanwhile, have expressed concern about the impact of higher labor costs on competitiveness. Official data show that several labor-intensive industries — including textiles, apparel, footwear, furniture, and rubber products — grew more slowly than the national average or contracted in the third quarter of 2025.

Regional disparities remain evident. While most provinces met the December deadline for setting 2026 wages, some areas with weaker economic performance delayed final decisions, citing limited fiscal and industrial capacity to absorb higher labor costs. [Tempo] [The Jakarta Post 1] [The Jakarta Post 2l] [The Investor]

Indonesia: Change of interest rate benchmark starting 2026

(ms) Indonesia will change how key interest rates are calculated starting January 1, 2026, as Bank Indonesia replaces the Jakarta Interbank Offered Rate (JIBOR) with a new benchmark known as the Indonesia Overnight Index Average, or IndONIA.

JIBOR has long been used to help determine interest rates for loans, deposits, and financial contracts. However, it is based largely on quotes from a group of banks rather than actual transactions. IndONIA, by contrast, is calculated using real overnight lending activity between banks, making it more transparent and harder to manipulate.

Bank Indonesia says the switch will improve the accuracy of interest rate pricing and help monetary policy work more effectively. Officials have noted that

recent rate cuts have not fully translated into lower borrowing costs for businesses and households, partly due to weaknesses in how benchmarks transmit policy changes.

The transition has been gradual. Banks and financial institutions have been preparing for the change since 2018, adjusting contracts and systems to reference IndONIA instead of JIBOR. By 2026, authorities expect the market to be fully aligned.

The move comes as Indonesia prioritizes currency stability, with the central bank keeping its benchmark policy rate at 4.75 percent. Similar benchmark reforms have already been carried out in other countries, including Thailand and Malaysia, placing Indonesia within a broader global shift toward transaction-based interest rate systems. [Bloomberg] [Kompas]

Indonesia: Major expansion of maritime air patrols planned in 2026

(ms) Indonesia is planning to significantly expand maritime air patrols in 2026, a move that officials say reflects growing security challenges across the country's vast archipelagic waters and a push to strengthen surveillance capabilities amid limited resources.

The Indonesian Maritime Security Agency (Bakamla) has announced plans to increase the frequency of air patrols to as many as three operations per month next year, up from its current practice of conducting only one large-scale air operation annually. The patrols are intended to cover wide areas, including waters off Kalimantan, the Natuna Islands, and northern Sumatra, regions that have seen persistent issues ranging from people smuggling to illegal fishing.

Bakamla officials say aerial surveillance is increasingly critical because aircraft and unmanned systems can monitor large maritime zones far more quickly than surface patrol vessels. At present, however, the agency does not operate its own aircraft and relies on coordination with other government bodies. Procurement plans are under preparation, including proposals to acquire the domestically produced N219 maritime surveillance aircraft and locally developed unmanned aerial vehicles, subject to state budget constraints.

The planned expansion comes as Indonesia places renewed emphasis on maritime domain awareness, particularly in remote and strategically sensitive

waters. While Indonesia is not a claimant in most South China Sea disputes, repeated incidents near the Natuna Islands and heightened regional naval activity have reinforced Jakarta's focus on surveillance and early detection, while also building up its military capabilities, including the Navy.

The initiative also fits into broader institutional efforts to streamline maritime law enforcement. Indonesia's seas are currently policed by multiple agencies with overlapping mandates, often leading to coordination challenges. Strengthening Bakamla's air surveillance role is seen as part of a gradual effort to position the agency as a central coordinator for maritime security operations. [The Jakarta Post]

Laos: Buddhism under party control through renewed reform drive

(ms) Laos' government has moved to further align Buddhist institutions with party leadership, following a call by Prime Minister Sonexay Siphandone for sweeping reforms of the Buddhist Fellowship Organization of the Lao PDR (BFL).

Speaking on December 23 at the 9th National Congress of Monks' Representatives, Sonexay urged the BFL to undergo what he described as a "strong, profound and comprehensive transformation." He called for reshaping the ideology and mindset of monks, novices, and lay followers, strengthening discipline, and ensuring closer adherence to national laws and state priorities. He also instructed the newly elected BFL leadership to rapidly translate congress resolutions into binding plans and regulations.

Sonexay explicitly framed Buddhism as a vehicle for promoting patriotism, moral values, and support for party resolutions and socio-economic development strategies. He urged monks and Buddhist institutions to mobilize believers in backing national goals, expand preaching through modern media, reform religious ceremonies, and contribute to campaigns such as drug prevention and social welfare. [Lao News Agency]

This approach amounts to a forceful alignment of religion with the ruling party. In Laos, Buddhism is not treated as an independent sphere of belief, but as an institution expected to reinforce political stability and ideological conformity. By demanding ideological "transformation" and strict compliance with state-defined roles, the government is tightening its grip on how Buddhism is practiced, taught, and organized.

Such directives effectively limit religious autonomy. While Buddhism is formally protected, its acceptable expression is narrowly defined by loyalty to the party and the state. Monks are encouraged to act not only as religious figures, but also as instruments of political messaging and social control. Religious teachings are framed as valid insofar as they support socialism, national development plans, and party leadership.

Rather than expanding public trust through independence, the reform drive reinforces a system in which religious practice is subordinated to political authority. In this model, faith is permitted—but only within boundaries set by the party—raising clear concerns about restrictions on free religious practice in Laos.

Laos: Online businesses required to register under new e-commerce rules starting February 2026

(ms) Laos will require all online businesses to formally register under new e-commerce regulations beginning February 1, 2026, as the government moves to tighten oversight of the country's rapidly expanding digital economy.

In a directive issued on December 17, the Ministry of Industry and Commerce (MOIC) said the rules apply to both individuals and companies already operating online, as well as those planning to do so. The regulation covers all forms of digital trade, including sales conducted through social media platforms such as Facebook and TikTok, websites, messaging applications, and other online channels.

Under the new framework, sellers must submit registration documents either directly to the Department of Internal Trade's E-Commerce Management Division or through the newly launched E-Trust online system. The platform is intended to simplify registration, particularly for small businesses and operators in remote provinces, by allowing permits and documentation to be processed digitally.

Once approved, businesses will receive an official certificate or operating permit, which must be renewed upon expiry and updated if business details change. Authorities said failure to comply without valid justification could result in administrative sanctions, including warnings, fines, or legal action under existing laws.

The directive builds on earlier regulations, including a 2021 decree that established Laos' basic legal framework for online trade and subsequent instructions issued in 2023 and 2025 to clarify enforcement and penalties. Officials say the latest move aims to improve consumer protection, ensure seller traceability, and curb illegal or unregistered online commerce as digital trade continues to grow nationwide. [The Laotian Times]

Laos: Foreign Ministry highlights 2025 diplomatic gains, outlines goals for 2026

(ms) Laos' Ministry of Foreign Affairs on December 24 reported tangible diplomatic outcomes from its work in 2025, citing progress in economic cooperation, international engagement, and institutional capacity-building, while setting specific priorities for the year ahead.

According to the ministry's review, Lao diplomatic missions played an active role in facilitating foreign investment, expanding trade and tourism links, and mobilizing development assistance amid a volatile regional and global environment. Officials said embassies and consulates abroad contributed to protecting Laos' interests in regional and multilateral forums, while also strengthening outreach to Lao communities overseas.

The ministry also underscored the effective organization of high-level foreign visits and participation in ASEAN and other international meetings, noting that these engagements helped advance political ties and open new channels for economic cooperation. Economic diplomacy was highlighted as a growing focus, with diplomats increasingly tasked with supporting investment promotion and cross-border projects aligned with national development goals.

Looking to 2026, Foreign Minister Thongsavanh Phomvihane directed officials to prioritize concrete results in economic diplomacy, improve coordination between headquarters and overseas missions, and expand the use of digital tools to enhance policy analysis and reporting. He also emphasized updating foreign affairs legislation, strengthening public communication on foreign policy, and continuing capacity-building for diplomats. [Lao News Agency]

Laos: Power utility cuts annual debt burden by up to USD 300 million after reform

(ms) Laos' state-owned power utility Électricité du Laos (EDL) has reduced its annual debt repayment burden by between USD 250 million and USD 300 million following a sweeping internal restructuring, company officials said on December 17.

Speaking at the State Enterprise Reform Committee's annual meeting, EDL Director Akhomdet Vongsay said the overhaul marked a major shift toward tighter financial discipline and greater transparency. The utility eliminated 395 management positions, cut operating expenses by 21 percent in 2025, and set up new units focused on auditing, legal contracts, digital systems, and performance measurement.

EDL's yearly debt servicing has fallen from roughly USD 600–700 million to about USD 350–400 million, driven by loan refinancing, extended repayment terms, improved electricity exports to Thailand, and the collection of overdue payments from cryptocurrency mining firms.

The company also renegotiated Nam Ou hydropower-related debt with PowerChina, leading to the withdrawal of a lawsuit in Singapore. Officials said further savings are expected from renegotiating power purchase agreements and redirecting electricity to the domestic market. [Lao News Agency]

Laos: ADB backs forestry restoration effort with USD 10 million package

(ms) The Asian Development Bank has approved USD 10 million in funding to support a forestry restoration initiative in Laos, aimed at reversing forest degradation and strengthening climate resilience.

The financing package for the Responsible Forestry Project Phase I consists of a USD 5 million concessional loan from ADB's ordinary capital resources and a USD 5 million grant. The project will focus on Bolikhamxay and Khammouane provinces, as well as Vientiane Capital, targeting areas where forest-dependent communities are most affected by environmental decline.

According to ADB, public funding alone is insufficient to address the scale of forest loss, underscoring the need to mobilize private investment in restoration,

sustainable plantations, and conservation-based ecotourism. Phase I will concentrate on identifying key challenges, preparing technical and feasibility studies for a larger Phase II, and strengthening coordination among government agencies, communities, and private actors.

Forests cover about 62 percent of Laos and support more than 65 percent of the workforce, but unsustainable practices have led to degradation costing the economy an estimated 19 percent of GDP annually. [The Laotian Times]

Laos: USD 1.93 million to promote sustainable farming

(ms) Laos has allocated USD 1.93 million to support sustainable rice and vegetable production across six provinces, as part of efforts to strengthen climate-resilient agriculture and rural livelihoods. The funding was provided by the Ministry of Agriculture and Environment on December 24 and will benefit 85 small-scale farmer groups in Champasack, Salavan, Sekong, Savannakhet, Khammouane, and Vientiane Capital.

The support focuses on six priority areas, including agricultural extension and cooperative development, irrigation upgrades, land management and land title issuance, environmentally friendly farming practices, policy support, and agricultural research. Key crops targeted under the program include rice, onions, chilies, cabbage, and other vegetables.

Savannakhet and Khammouane received the largest shares of funding, reflecting their role as major agricultural producers. The initiative is implemented under the Environmentally Friendly Agricultural Commodity Chain (ECCC) project, aligned with Laos' Agriculture and Forestry Strategic Plan to 2025 and Vision 2030.

Officials emphasized strict monitoring to ensure funds are used effectively, with the project expected to raise productivity, increase farmer incomes, and promote sustainable agricultural development nationwide. [The Laotian Times]

Malaysia: Former Prime Minister Najib Razak handed concurrent prison sentences in 1MDB corruption case

(ea) Malaysia's High Court has sentenced former Prime Minister Najib Razak to four concurrent 15-year prison terms, alongside a USD 2.8 billion (MYR 11.4 billion) fine, in the long-running 1Malaysia Development Berhad (1MDB) corruption case. Najib also received concurrent five-year sentences on 21 money laundering charges and was ordered to repay USD 494 million (MYR 2 billion) under Malaysia's Anti-Money Laundering and Anti-Terrorism Financing Act.

The judges found him guilty on multiple counts of abuse of office and money laundering. In delivering the sentence, the court stressed that the prison terms would run concurrently, dispelling suggestions that Najib faced 60 years behind bars. The judgment highlighted public interest and deterrence as central considerations in one of the country's largest corruption scandals.

The decision caps years of investigations and high-profile proceedings tied to the sprawling 1MDB affair, in which investigators believe billions were diverted globally through financial and political networks. Launched in 2009 during Najib Razak's tenure as Malaysia's Prime Minister, 1MDB was a state-owned investment fund that became the center of a major international corruption and money-laundering scandal involving billions of dollars misappropriated from public funds. Officials estimate that various actors diverted up to MYR 42 billion (USD 10.3 billion) from the fund over several years. The probe draws on intelligence gathered through cooperation with multiple countries, focusing on cross-border financial transactions and the role of professional intermediaries in the 1MDB scandal.

Najib has been imprisoned since August 2022 following his conviction in the SRC International case, a separate prosecution linked to 1MDB involving the misappropriation of USD 10.4 million (MYR 42 million). [Malay Mail] [BBC]

The High Court ruled that the new sentences will begin only after Najib completes his existing term. The decision follows closely on the court's recent rejection of Najib's bid to serve his sentence under house arrest (see AiR No.51, December/2025, 4).

Malaysia: Perlis state chief minister's resignation exposes rifts within Perikatan Nasional (PN) alliance

(ea) Malaysia's smallest state, Perlis, has been thrown into political uncertainty following the resignation of

Chief Minister Mohd Shukri Ramli and the expulsion of three state assemblymen from his party, the Islamist Parti Islam Se-Malaysia (PAS).

The turmoil erupted after eight lawmakers from the opposition coalition Perikatan Nasional (PN), a Malay-Muslim alliance led by PAS, and its partner party Parti Pribumi Bersatu Malaysia (Bersatu) withdrew their support for Shukri, depriving him of a working majority in the 15-seat state assembly.

Shukri cited health reasons for his resignation but said he was blindsided by a coordinated move against him involving statutory declarations filed without his knowledge. Three PAS assemblymen who withdrew their support were subsequently sacked, while five others involved in the revolt were from PN's coalition partner Bersatu, deepening tensions within the alliance. [Channel News Asia]

PAS President Abdul Hadi Awang said the dispute stemmed from pressure to carry out several large development projects in Perlis that allegedly did not comply with regulations and raised concerns about corruption. [The Straits Times]

The Perlis assembly speaker has declared the three PAS seats vacant and said he would seek by-elections in the interest of political stability, even though the state constitution does not strictly require polls at this stage of the assembly's term. With PAS and Bersatu now holding six and five seats respectively, the balance of power in the state has become fragile, raising questions over PN's ability to retain control of a state it won overwhelmingly in the 2022 general election.

The upheaval has triggered wider political repercussions, with figures from rival parties calling for a rethink of opposition alliances in Malaysia. Youth chief Akmal Saleh of the United Malays National Organisation (UMNO), now part of Prime Minister Anwar Ibrahim's ruling unity government, has urged the dissolution of PN and the revival of the earlier UMNO-PAS pact, Muafakat Nasional. The pact was an alliance formed by UMNO and PAS in 2019 in opposition to the Pakatan Harapan (PH) government that took power following Malaysia's 2018 general election. [Channel News Asia]

New Perlis chief minister takes office

In the aftermath of Shukri's resignation, Abu Bakar Hamzah was sworn in as Perlis' new Chief Minister, as the state seeks to stabilize its administration amid ongoing coalition tensions. Shortly after taking office, he announced a voluntary USD 738 (MYR 3,000) cut to

his monthly salary and said incoming members of the state executive council (exco) would be asked to accept similar reductions, framing the move as part of efforts to address Perlis' fiscal constraints and demonstrate political accountability.

On the formation of the new state Executive Council (Exco), Abu Bakar said consultations would be held with the state secretary before proposed appointments are submitted to the Raja of Perlis for approval. He added that the size and composition of the Council would be shaped by budgetary constraints and the need to rebalance representation between PAS and Bersatu within the Perkatan Nasional (PN) coalition. Existing exco members will continue to serve in a caretaker capacity until the reshuffle is completed.

Abu Bakar also outlined a governing framework centered on the "3B" approach—Bangkit (Rise), Bingkas (Act Swiftly), and Buat (Deliver)—and acknowledged the state's limited revenue base, while expressing confidence that coordinated action across government departments could support continued development. [Malay Mail 1]

PAS youth wing presses PN to cut all political ties with Bersatu

(tl) Following Perlis leadership crisis, a PAS youth wing in Tasek Gelugor has publicly urged the party's central leadership to cut all political cooperation with Bersatu, citing a breakdown of trust within the PN coalition. The group also called for the removal of Bersatu figures from positions in PN-governed states and urged PAS to contest all parliamentary and state assembly seats previously won by Bersatu candidates using PAS or PN backing.

According to the youth wing's leader, recent political manoeuvres, including alleged attempts to destabilize the Perlis state government, have reinforced perceptions of repeated betrayal by Bersatu. He argued that PAS had shown restraint in the past for the sake of Malay-Muslim unity but claimed the alliance had ultimately benefited Bersatu at PAS's expense. [Malay Mail 2]

PN leader Muhyiddin steps down

In the latest development, on December 30, former Prime Minister and Bersatu President Muhyiddin Yassin announced to step down as PN chairman on January 1, ending his five-year tenure since the coalition's formation. Shortly after, Mohamed Azmin Ali also announced he will resign as PN secretary-general.

In response, PAS signaled readiness to take a leadership role in PN ahead of Malaysia's 16th general election and upcoming state polls. [The Edge Malaysia] [SCMP]

Malaysia: Human Rights Commission warns against shifting statutory rape cases to religious authorities

(tl) The Human Rights Commission of Malaysia (Suhakam) has criticized proposals to allow Islamic religious authorities to handle statutory rape cases, describing the move as a threat to constitutional principles and the rule of law. The concern follows remarks by the Kelantan police chief suggesting that cases involving "consensual" sex between minors could be referred to the state's Islamic affairs department.

Suhakam stressed that statutory rape is a criminal offence under federal law and must remain under the jurisdiction of the police, as criminal investigations fall within the federal government's authority. It said that any diversion of such cases to religious enforcement bodies contradicts the constitutional role of the police and risks weakening legal safeguards.

The commission rejected the notion that statutory rape can be treated as consensual, emphasizing that children cannot legally give consent. While acknowledging the role of Islamic institutions in Malaysia's legal framework, Suhakam said child protection must take precedence. It also highlighted Malaysia's obligations under the Convention on the Rights of the Child (CRC), which requires the state to prioritize children's welfare and protect them from any abuse. [Malay Mail]

Malaysia: Police crackdown biggest international drug syndicate in Klang Valley

(tl) Malaysian police have uncovered and dismantled the largest international drug operation ever detected in the country, seizing more than six tons of illicit drugs worth an estimated MYR 1.04 billion (USD 260 million) during coordinated raids in the Klang Valley—the country's largest urban and economic region centered around the capital Kuala Lumpur and its surrounding cities in the state of Selangor—this month.

The operation followed earlier arrests and culminated in multiple raids on December 21. Authorities confiscated large quantities of suspected MDMA (a type of methamphetamine) in liquid and powder form, along with smaller amounts of cocaine and ketamine, from industrial and residential sites, estimated around 6,212 kg, which could supply to millions of users.

Investigators said the syndicate had transformed 14 rented factories and 10 homes into drug-processing laboratories and storage facilities, employing foreign chemists and importing chemical precursors.

Malaysia was allegedly used as a production base before the drugs were trafficked to overseas markets, including Hong Kong and Australia. Police believe the network involved more than a dozen members and had been operating since early this year. Authorities are now working with international partners, including Interpol, to locate remaining suspects and the syndicate's leader.

During the operation, police also uncovered links to online scam activities, with one raided location functioning as a scam call centre. Several individuals were detained in connection with the scam, and the case has been transferred to the Commercial Crime Investigation Department (CCID). [Malay Mail]

Malaysia: Army chief placed on leave amid anti-corruption probe

(ea) Malaysia's defense ministry has placed Army Chief Muhammad Hafizuddeain Jantan on immediate leave to facilitate an investigation into alleged money laundering.

Defense Minister Mohamed Khaled Nordin said the decision was an administrative measure aimed at ensuring the probe proceeds without any conflict of interest. Navy commander Zulhelmy Ithnain has meanwhile been appointed acting chief of the Malaysian Armed Forces following the retirement of Armed Forces chief Mohd Nizam Jaffar, who stepped down after reaching the mandatory retirement age.

The investigation is being conducted by the Malaysian Anti-Corruption Commission (MACC) following allegations by an activist that a senior Armed Forces officer was linked to money laundering. [New Straits Times]

MACC officers have carried out checks at the defense ministry focusing on army procurement projects

awarded between 2023 and 2025, with preliminary findings showing that several companies repeatedly secured high-value contracts. Statements have been recorded from three individuals as of December 24 to assist with the investigation. [Malay Mail]

Myanmar: Military-aligned party claims landslide victory in first phase of general elections

(anl/dql/su) The Union Solidarity and Development Party (USDP) — widely considered as the civilian proxy of the military — has claimed a commanding lead in the December 28 election, first phase of the three-phased election, winning over 80 percent of contested seats and all townships in the capital, Naypyidaw.

The first phase of the election was held in 102 of the country's townships. It will be followed by a second phase in 100 townships on January 11, and a third phase in 63 townships on January 25. [Al Jazeera] [Mizzima 1]

Critics of the military regime have consistently rejected the elections, calling them a "sham" aimed primarily at bolstering the military junta's legitimacy through international recognition. [BBC]

Amid this criticism, the election day on December 28 was marked by a striking absence of young voters, with turnout dominated by older citizens. In past elections, long queues of young people were a common sight, but this time they were largely missing from polling stations. [Mizzima 2]

A Yangon polling station saw fewer than 500 of 1,400 registered voters casting ballots two hours before polls closed, far below the roughly 70 percent participation in the 2020 elections.

Similarly, Kalay Township, Sagaing Region, reportedly remained largely deserted amid what residents described as a self-organized "silent strike." Witnesses reported unusually quiet streets, minimal traffic at major intersections, and sparse voter turnout at polling stations.

The situation in Kalay reflects similar reports from other parts of Sagaing Region, a stronghold of anti-junta resistance. [Mizzima 3]

International election observers

State-run media outlet Global New Light of Myanmar reported that international delegations from Russia, China, India, Vietnam and several other countries arrived in the week leading up to the election. The delegations included senior representatives from election commissions and government agencies in Russia, China, Belarus, Kazakhstan, Cambodia, Vietnam, India and Nicaragua. 162 international observers were accredited. [Mizzima 4]

Embassy in South Korea blacklists anti-election protesters

The Myanmar Embassy in South Korea has reportedly compiled a blacklist of activists involved in a December 7 protest in Daegu against the general elections, raising fears that those named could be detained if they return to Myanmar.

The demonstration — organized by the Myanmar Federal Democratic Movement Coalition with backing from the National Unity Government and other exile networks — drew more than 300 participants from Myanmar communities across the country.

Organizers say the embassy is gathering further details on protest leaders and support networks before formally confirming the list.

The episode coincides with low turnout for the junta's advance overseas voting in Seoul, in stark contrast to the strong participation by Myanmar expatriates in the 2020 general election. [The Irrawaddy]

National League for Democracy (NLD) expels members for joining junta-run election

The National League for Democracy (NLD) announced on December 28 that it has expelled nine members for participating in or assisting with the general election, which began the same day. In a statement issued by its Interim Central Committee, the party reiterated that it does not recognize the election, describing it as an effort by the military authorities to generate political legitimacy after seizing power in 2021.

According to the NLD, members who contest or support the current election have violated party regulations and decisions. Those expelled include individuals from Shan State, Ayeyarwady Region, and Yangon Region, including party members associated with Lawksawk, Langkho, Yegyi, Myaungmya, Maubin, and South Dagon townships. [Mizzima 5]

Myanmar: Blasts strike Mandalay and Myawaddy on eve of election

(anl/su) A series of blasts from homemade rockets rocked Mandalay on the night before the first phase of the general election (see article above), according to a local rescue team. The resistance group Brave Warriors for Myanmar (BWM) claimed responsibility, stating it fired five rockets at the junta's Central Regional Military Command, with four reportedly hitting the target.

Mandalay Chief Minister Myo Aung said three rockets struck the Mandalay Fortress canal area, where the command is based, and one hit a nearby town, injuring two people. He reported no fatalities, though casualty figures could not be independently verified. Following the attacks, security was immediately tightened across the city, particularly in Aungmyaythazan and Chanayethazan townships, where voting was scheduled.

On the same night, resistance bomb attacks were reported in Myawaddy town, Karen State. A local resident said the blasts occurred near the office of the military-backed Union Solidarity and Development Party (USDP).

Rescue workers reported that one girl was killed and around 10 others were injured and taken to hospital. Residents said at least five explosions were heard, along with small arms fire, damaging about a dozen buildings. [The Irrawaddy] [Eleven Myanmar]

Resistance forces target election office in Yangon

Separately, resistance forces detonated two high-intensity bombs at the Township Election Commission office in Ward No. 3 of Kamayut Township, Yangon, in the early hours of December 28, just hours before polling was due to begin.

An official from the Yangon Army confirmed the attack, saying it was carried out jointly by the Yangon Army, the Western Region People's Defence Force, and other groups affiliated with the National Unity Government (NUG).

In a joint statement, the coalition warned that the junta and election-related infrastructure remain high-priority targets, vowing to continue attacks on election organizers and junta administrative offices. [Mizzima]

Myanmar: Battle for Point 666 hill threatens regime control over strategic

ordnance hub

(dql) Heavy fighting raged in the central Bago Region after the ethnic armed organization Arakan Army (AA) seized the strategically located Point 666 hill overlooking the KaPaSa-16 weapons factory in Padaung Township.

The military launched repeated counterattacks involving several hundred troops and intensive airstrikes to retake the position, with frontline sources reporting 50 to 60 regime soldiers killed in a single day and others captured.

Among those killed, is Major Wai Yan Lin, a high-ranking officer of the junta army and G3 officer for both Yangon and Loikaw Regional Commands. He was killed on December 22 during intense fighting with the AA at Nyaungyo, a strategically important mountain pass area in Bago Region. [NarinJara]

Point 666 is viewed as critical because it guards access to a cluster of state ordnance plants along the Irrawaddy River, making the battle significant for the regime's arms production network. Despite deploying around 1,000 troops and attacking from multiple directions, the military has struggled to regain ground, while nearby villages across the Bago–Magwe frontier have seen escalating clashes and shifting control. [The Irrawaddy]

Myanmar: Junta airstrike hits Mindat Christian community on Christmas

(dql) The military struck Mindat town in Chin State with an air raid on December 25, targeting the largely Christian population during a major religious holiday. The assault caused damage to homes, though there were no reported fatalities, as many residents had evacuated in anticipation of attacks.

Mindat has endured dozens of air raids in 2025. Local resistance groups view the latest strike as an effort to undermine civilian morale ahead of the general elections. [Mizzima]

Myanmar: Ethnic armed group promotes US sanctioned figure amid ongoing allegations

(anl) The Democratic Karen Benevolent Army (DKBA)—an ethnic armed group—has promoted Brigadier General Sai Kyaw Hla to the rank of Major General and appointed him chairman of its Central Economic Committee, despite recent international sanctions and allegations linking him to online money laundering and cyber-scam operations.

The allegations against Sai Kyaw Hla are connected to activities in DKBA-controlled areas along the Thai–Myanmar border, including the Shunda Park compound in Minletpan, which was recently raided by the Karen National Union (KNU).

He was recently sanctioned by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC) for allegedly supporting transnational cyber-scam networks targeting international victims.

In addition, outgoing Commander-in-Chief General Saw Steel, who is also under U.S. sanctions, was reassigned as a patron of the DKBA Central Advisory Council. He was succeeded by former Deputy Commander-in-Chief Saw Shwe Wa, who was promoted to General. Brigadier General Saw Ba Nyein Aung was appointed Deputy Commander-in-Chief.

These developments come as the DKBA reaffirms its status as a Nationwide Ceasefire Agreement (NCA) signatory and its support for the junta's general election. The promotion of sanctioned figures suggests a consolidation of power among leaders closely associated with controversial economic zones along the border, even as the junta claims to be dismantling scam networks in the same areas. [Mizzima]

Philippines: 2026 budget ratified while being under corruption spotlight

(ms) Philippine lawmakers on December 28, 2025 approved and signed the final bicameral conference committee report reconciling the House and Senate versions of the 2026 national budget worth PHP 6.793 trillion (about USD 115 billion), concluding one of the most closely watched budget negotiations in recent memory.

The 4,000-plus-page committee report clears the General Appropriations Bill for ratification by both chambers on December 29, 2025, after which the enrolled measure will be transmitted to President Ferdinand Marcos Jr. for signature. Malacañang has said Marcos is expected to sign the 2026 budget in the

first week of January 2026, with officials indicating a target date of January 5, 2026.

Because the Constitution requires a signed budget by December 31 to avoid a rollover, the government is set to begin 2026 under a reenacted budget—temporarily operating on 2025 spending levels—until the new appropriations act takes effect.

This year's bicam drew unusual public attention after allegations tied to questionable flood control spending at the Department of Public Works and Highways (DPWH) turned the normally opaque reconciliation process into a lightning rod for accountability demands. Under pressure to demonstrate transparency, lawmakers livestreamed bicam sessions —an unprecedented move in the Philippines—allowing the public to see agency appeals and last-minute reallocations that typically happen behind closed doors.

Even with cameras on, the negotiations remained politically fraught. Reports on the signed bicam version pointed to flashpoints including DPWH allocations, unprogrammed appropriations of PHP 243 billion (about USD 4.1 billion), and social assistance funding such as the Assistance to Individuals in Crisis Situations (AICS), which critics argue can blur into patronage-style spending. Lawmakers, for their part, framed the final product as more transparent and said the reconciled version would be posted to official portals after ratification.

The final budget package is larger than the 2025 spending law, reflecting inflation pressures, higher debt-servicing needs, and intensified competition over local projects—dynamics that have made budget politics in Manila a central test of governance ahead of 2026 implementation. [Daily Tribune] [Inquirer] [PhilStar 1] [PhilStar 2] [Rappler]

Philippines: Anti-corruption flood control probe enters uncertain phase as lawmakers push permanent watchdog

(ms) The Philippines' investigation into alleged corruption tied to flood control and other infrastructure projects has entered a critical phase, with mounting calls to replace a temporary investigative panel with a permanent anti-graft body empowered by law.

The probe centers on claims that billions of pesos were siphoned off through overpriced, substandard, or

ghost flood mitigation projects under the Department of Public Works and Highways (DPWH), a sector that accounts for one of the largest portions of the national budget. The issue has drawn sustained public attention amid concerns that systemic weaknesses in budget preparation and project implementation enabled large-scale abuse.

The ad hoc Independent Commission for Infrastructure (ICI), created earlier this year to review questionable projects, is now effectively on life support after the resignation of several key members. As of December 28, only one commissioner remains, raising doubts about the body's ability to continue meaningful work. Malacañang has said there are no immediate plans to appoint replacements, signaling a shift toward legislative solutions rather than stopgap measures.

Senate President Pro Tempore Panfilo Lacson, one of the most vocal advocates of the probe, said the ICI's experience underscores the need for a permanent institution with stronger powers. Proposed legislation would establish an Independent People's Commission with authority to issue subpoenas, cite individuals in contempt, grant witness immunity, and recommend travel restrictions—tools currently unavailable to the temporary panel.

The administration of President Ferdinand Marcos Jr. has identified the bill as a priority measure, arguing that repeated resignations from the ICI highlight the limits of a body that lacks statutory backing and legal protections for its members. Lawmakers involved in drafting the bill say it could be taken up after Congress completes work on the 2026 national budget.

Parallel investigations are continuing within existing institutions. The Office of the Ombudsman and the Department of Justice are reviewing documents and testimonies related to alleged budget insertions and contractor favoritism, while the DPWH has begun turning over internal records for forensic examination.

At the center of the controversy are internal DPWH documents that lawmakers say map how infrastructure funds were allocated across districts and projects. Supporters of the probe argue these records are crucial because they could establish links between project approvals, budget insertions, and the eventual awarding of contracts—potentially forming the backbone of criminal cases. The Palace, however, has said such documents must be formally authenticated to carry evidentiary weight. [PhilStar 1] [PhilStar 2] [PhilStar 3] [Rappler]

Philippines: Probe into former public works official's death deepens as corruption-linked documents come under scrutiny

(ms) Investigators say newly obtained dashcam footage has become a pivotal lead in the ongoing probe into the death of former Department of Public Works and Highways (DPWH) undersecretary Maria Catalina "Cathy" Cabral, after it appeared to place her alone at a key location along Kennon Road shortly before she was last seen alive.

The video, cited by the National Bureau of Investigation (NBI), shows Cabral sitting on a concrete pavement between safety barriers on December 18, with no companion and no vehicle in sight — a contrast to earlier clips and photos that suggested she was sightseeing near her car, according to accounts published after investigators reviewed the footage frame by frame.

Officials said the dashcam file contains time-and-location data, and that field checks by investigators matched the coordinates to the area where Cabral's body was later recovered in a ravine. The development is among the latest public updates as authorities continue to reconcile competing narratives — including whether the incident was a suicide or whether investigative lapses may have compromised evidence early on. [PhilStar 1] [PhilStar 2]

Parallel to the NBI review, DPWH Secretary Vince Dizon has pushed back against claims that he had "authenticated" documents attributed to Cabral. Dizon said he could not validate papers he had not personally seen, as political pressure mounted over the so-called "Cabral files," which have been linked by some lawmakers to alleged budget "allocables" and flood-control insertions.

Cabral's death has heightened the significance of the documents tied to her because they are widely treated as a possible paper trail to the Philippines' biggest and most politically sensitive infrastructure spending decisions — especially flood-control projects, which sit at the intersection of public safety, local patronage, and large contracting budgets.

The "Cabral files" are important for three reasons. First, they are portrayed as a map of how projects moved from planning into the budget pipeline. Cabral served as DPWH undersecretary for planning, a role that places an official close to the stage where projects are prioritized, packaged, and readied for inclusion in the

National Expenditure Program and, ultimately, the General Appropriations Act. If the documents contain internal lists, annotations, or coding that can be matched to official release orders and project records, they could show whether project choices were shaped by technical need, political sponsorship, or a mix of both.

Second, the files matter because they sit at the center of claims that "allocables" existed — shorthand used in Philippine political debate for amounts informally associated with lawmakers or powerful offices, even when the formal budget process does not openly label them that way. If authentic, such records could help investigators connect alleged insertions to specific decision points: who requested a project, who endorsed it, and which offices had to sign off before money could be obligated. That, in turn, would make it easier to move from broad allegations to cases that can stand in court or before oversight bodies.

Third, the files matter because they could reveal whether the alleged anomalies were isolated or systemic. If the records show repeated patterns — the same contractors, the same clusters of projects, or the same budget "handling" across years — they could support the argument that the controversy is not just about individual wrongdoing but about how the infrastructure budget has been engineered to accommodate political demands.

This is why multiple parts of government are pushing to secure any materials connected to Cabral, including documents and electronic devices that could contain communications, drafts, or metadata. Investigators need an unbroken chain of custody to make evidence admissible and to determine whether Cabral faced threats, pressure, or last-minute communications in the days leading up to December 18–19. DPWH's leadership, meanwhile, has been drawn into disputes over whether any files circulating publicly can be verified, with Secretary Vince Dizon disputing suggestions that he had authenticated documents he had not seen.

At the political level, the "Cabral files" have become a proxy battle over accountability for infrastructure spending. If the documents are authenticated and forensically examined, they could anchor administrative complaints, criminal investigations, and renewed pressure to reform how project lists are prepared and how budget negotiations are conducted. If they cannot be validated — or if the evidence trail is compromised — the controversy risks hardening into competing narratives that deepen public mistrust without resolving the underlying questions about how

flood-control money is allocated and who ultimately benefits. [GMA News] [Inquirer] [Philippines News Agency] [PhilStar 3] [PhilStar 4]

Philippines: Proposed “anti-dynasty” bill draws fire over loopholes that could keep families in power

(ms) A newly filed measure billed as an “anti-political dynasty” law is facing early backlash from reform advocates who say it could end up formalizing, rather than dismantling, the Philippines’ entrenched family-based politics.

House Speaker Faustino “Bojie” Dy III and Ilocos Norte Rep. Sandro Marcos filed their version of the Anti-Political Dynasty Act, House Bill (HB) No. 6771, which was read on the House floor on December 10. Supporters present the bill as a long-delayed attempt to implement the 1987 Constitution’s mandate for the state to prohibit political dynasties “as may be defined by law,” a provision that has remained largely symbolic for decades without an enabling statute.

But critics argue that the definition matters as much as the ban itself. Akbayan party-list Rep. Perci Cendaña has warned that the House leadership’s approach risks “legitimizing” dynasties by setting boundaries on which relatives cannot hold posts at the same time—while still leaving multiple paths for the same families to retain control through staggered candidacies, rotation of offices, and running across different levels of government. In a televised interview excerpt posted by One News, Cendaña said the proposal appears to go against the Constitution’s spirit by allowing dynastic power to persist under a rules-based framework rather than meaningfully curbing it.

The controversy reflects a political reality: any serious anti-dynasty law must be written and passed by a legislature where many members belong to political clans, creating a built-in incentive to craft “acceptable” restrictions that stop short of a sweeping prohibition.

The debate is expected to intensify as lawmakers weigh whether HB 6771’s structure would widen political competition—or simply standardize workarounds that powerful families already use. For critics, the fear is that a weak law could be worse than none at all: once enacted, it could be cited as “reform” while leaving the underlying dynastic system intact. [Inquirer] [Panay News] [PhilStar 1] [PhilStar 2]

Philippines: Record USD 23 billion education budget becomes flashpoint in elite power struggle

(ms) The Philippines has approved its largest-ever education budget, allocating PHP 1.37 trillion (about USD 23 billion) for 2026, a move that government officials describe as a long-overdue investment in human capital but which critics say also carries significant political implications amid intensifying rivalry at the top of the country's power structure.

The spending package, endorsed by Congress in December, amounts to roughly 4 percent of gross domestic product, bringing the Philippines in line for the first time with United Nations benchmarks for education spending. The bulk of the funds—more than PHP 960 billion (about USD 16.2 billion)—will go to the Department of Education to address classroom shortages, teacher hiring, and school infrastructure, including plans to build around 35,000 new classrooms nationwide. Additional allocations were approved for state universities, the Commission on Higher Education, and technical and vocational training.

Education advocates have broadly welcomed the scale of the budget, citing alarming indicators of a learning crisis following years of underinvestment and prolonged school disruptions during the pandemic. International assessments have repeatedly placed Filipino students near the bottom in reading, mathematics, and science. Teacher-to-student ratios remain high, and overcrowded classrooms are common, particularly in urban and disaster-prone regions. [South China Morning Post]

The education portfolio is overseen by Vice President Sara Duterte, who concurrently serves as education secretary. Her stewardship of the sector has elevated the department's political visibility at a time when national politics is increasingly defined by competition between entrenched dynasties rather than policy consensus.

While Duterte and President Ferdinand Marcos Jr. ran on a joint ticket in the 2022 election, their alliance was widely viewed as transactional. The Marcos and Duterte families have long been rivals, representing the country's two most powerful and competing political clans. Duterte's ascent to the vice presidency was the result of an electoral bargain rather than a reconciliation of interests, and tensions between the two camps have since become overt.

That rivalry has been underscored by impeachment proceedings initiated in the House of Representatives

against Duterte, a historic first for a sitting Philippine vice president. While the Senate has yet to begin a trial, the episode has hardened elite polarization and placed Duterte's political future under scrutiny. In this context, control of the education sector—by far the largest civilian bureaucracy in government—takes on significance that extends well beyond classrooms.

For Duterte, effective delivery of the record education budget offers a nationwide platform to demonstrate administrative competence and maintain political relevance ahead of the 2028 presidential race, when President Marcos is constitutionally barred from seeking re-election.

Analysts note that the political environment complicates accountability. With elite factions locked in competition, oversight risks becoming selective, and reform initiatives may be interpreted through a partisan lens. At the same time, the sheer size of the education budget makes it unavoidable as a test case for governance under the Marcos administration and for Duterte's leadership within it. [Fulcrum]

Philippines: Supreme Court sets standards for identifying social media account holders in criminal cases

(ms) The Supreme Court on December 28 clarified how prosecutors can establish the identity of individuals behind social media accounts used in criminal acts, following a ruling that upheld a conviction for psychological violence under the Anti-Violence Against Women and Their Children Act.

In its decision, the court emphasized that for crimes committed through platforms such as Facebook, the prosecution must prove not only the elements of the offense but also that the accused actually owned or controlled the account in question. The ruling acknowledged that social media accounts are easy to create and can be misused through aliases or so-called dummy profiles, complicating attribution.

To address this, the court outlined several forms of evidence that may be used to establish account ownership or authorship. These include an admission by the accused, testimony from witnesses who saw the person accessing or posting from the account, content containing information known only to the accused, language or writing style consistent with the accused, records from internet service providers, telecommunications firms, or social media platforms,

and digital forensic evidence such as device data or geolocation information.

Applying these standards, the court found sufficient evidence linking the accused to the Facebook account that published the defamatory posts. It affirmed the lower courts' rulings and imposed a sentence of up to eight years' imprisonment, a fine of PHP 100,000 (approximately USD 1,699), and mandatory psychological or psychiatric treatment. [PhilStar]

While the ruling provides much-needed guidance, meeting these standards in practice can be extremely challenging. Access to telecommunications records and platform data often depends on cooperation from private companies, which may be limited by privacy rules, data retention policies, or cross-border jurisdictional constraints. Digital forensic evidence can also be costly and technically complex to obtain, especially for victims with limited resources.

Philippines: Supreme Court upholds murder conviction from 2017 during former President Duterte's war on drugs

(ms) The Philippine Supreme Court has upheld the murder conviction of three police officers over the killing of 17-year-old Kian delos Santos during an anti-drug operation in August 2017, a decision that legal analysts describe as a significant affirmation of domestic accountability amid the country's controversial war on drugs.

In a ruling made public on December 25, the court found the police officers guilty of murder, affirming earlier decisions by a regional trial court and the Court of Appeals. The officers were each sentenced to reclusion perpetua, or up to 40 years in prison, and ordered to pay the victim's family PHP 275,000, equivalent to about USD 4,700, in damages.

The case dates back to the height of former president Rodrigo Duterte's aggressive anti-drug campaign, which left thousands dead, according to human rights groups. Delos Santos' killing, captured partly on closed-circuit television and witnessed by residents, sparked nationwide protests and became a symbol of alleged police abuses under the campaign.

In its decision, the Supreme Court of the Philippines rejected the officers' claim that the teenager had fought back, noting that none of the accused sustained injuries and that evidence showed the victim was in a defenseless position when he was shot. The court

ruled that treachery attended the killing, citing testimony that Delos Santos was likely kneeling and unable to resist at the time of the shooting.

The ruling has been welcomed by human rights advocates as one of the rare instances in which police officers have been held criminally liable for killings linked to the drug war. To date, only a handful of such convictions have been secured, despite the scale of the campaign.

However, legal analysts caution that the decision is unlikely to have a direct bearing on Duterte's ongoing case before the International Criminal Court in The Hague. ICC proceedings focus on whether senior officials bear responsibility for crimes against humanity as part of a broader policy. [Inquirer] [South China Morning Post] [Rappler]

Singapore: Workers' Party cadres seek special meeting over Pritam Singh conviction

(st) More than 20 cadre members of the Workers' Party have formally requested a Special Cadre Members' Conference following party secretary-general Pritam Singh's conviction for lying to a parliamentary committee. The party confirmed on December 28 that the request had been received and acknowledged by party chair Sylvia Lim, and that its Central Executive Committee will follow up in accordance with the party constitution. Under party rules, a special conference may be called if at least 20 cadres or 10 percent of the cadre membership submit a request, a threshold that has been met.

CNA understands the cadres are seeking for the conference to be held in February, and that Mr Singh's position as party leader could be among the issues discussed, ahead of a parliamentary debate on the case scheduled for Jan 12. Separately, the Central Executive Committee is expected to convene an off-cycle meeting in early January to consider the matter, with possible internal processes ranging from a direct CEC decision to the formation of a disciplinary panel, based on past party precedents. [The Straits Times] [Channel NewsAsia]

Thailand: Constitutional Court to rule on Senate collusion case

(lm) Thailand's Constitutional Court is scheduled to deliver a ruling on January 21, 2026 in a case that does not assess alleged collusion in the 2024 Senate election itself, but rather examines whether executive authorities improperly interfered with how those allegations were investigated.

The case originates from accusations surrounding the 2024 Senate selection process, an indirect election conducted through sector-based voting. After the process concluded, allegations emerged that coordinated networks of candidates and supporters may have influenced voting outcomes. These claims remain under investigation and are not the subject of substantive judicial review by the court.

The constitutional dispute arose after the government moved to classify the alleged collusion inquiry as a *special case* under the Department of Special Investigation (DSI). Normally, election-related investigations fall within the remit of the Election Commission, and the decision to involve the DSI prompted objections from members of the Senate.

A petition signed by 92 senators alleges that former deputy prime minister and defence minister Phumtham Wechayachai and former justice minister Tawee Sodsong abused their authority by steering the case toward the DSI, thereby using law-enforcement mechanisms to influence or pressure independent constitutional bodies. The senators argue that this conduct violated principles of separation of powers, the rule of law, and ministerial ethics. They are asking the court to determine whether such actions justify termination of ministerial status under the constitution.

The court has completed hearings from six key witnesses, including the two former ministers, senior officials from the DSI, and the secretary-general of the Election Commission. Both sides have been instructed to submit written closing statements by January 6, 2026, ahead of the court's ruling later that month. [Bangkok Post]

Thailand: Senate approves two new anti-corruption commissioners

(lm) Thailand's Senate has approved two new commissioners to the National Anti-Corruption Commission (NACC) following a secret-ballot vote held on December 25. The Senate endorsed Suchart Suntreekasem, a former Criminal Court judge, and Manuphan Yotthasaen, a former presiding judge of the

Supreme Court. Both candidates passed the required threshold of more than half of all senators' votes after being vetted by a Senate screening committee.

During deliberations, a group of independent senators raised concerns that repeated Senate involvement in appointments to independent oversight bodies could increase the legislature's influence over institutions designed to operate autonomously. Despite these objections, the appointments proceeded in accordance with existing constitutional and procedural rules. [Bangkok Post]

Thailand: Election registration opens with record party participation as anti-graft body pushes policy scrutiny

(lm) Candidate registration for Thailand's February 8, 2026, general election formally opened over the weekend, marking the transition from pre-campaign positioning to full electoral competition. A total of 52 political parties submitted party-list candidates and prime ministerial nominees to the Election Commission of Thailand, up from 47 parties in the 2023 election.

Registration took place at the Government Complex in Bangkok, where parties also drew lots to determine their ballot numbers. At the same time, constituency-level candidate registration opened nationwide and will continue until December 31. According to the Election Commission, 34 parties have so far nominated 73 prime ministerial candidates, with the possibility of additional nominees before the deadline. The new House of Representatives will comprise 400 constituency seats and 100 party-list seats. On the first day alone, more than 3,000 constituency candidates registered across the country. [Bangkok Post 1] [Bangkok Post 2] [Bangkok Post 3]

The election will be held concurrently with a national referendum, adding another layer of political complexity. Authorities have stressed that media coverage of the referendum must remain impartial, even as parties are allowed to campaign within legal limits. In this context, the Pheu Thai Party, which lost the premiership in September, has warned that public awareness of the referendum remains low. Former minister Chaturon Chaisang cautioned that many voters are still unaware that the referendum will take place on the same day as the election, despite its potentially far-reaching consequences. If approved, the referendum would provide political legitimacy to draft a new constitution; if rejected, he warned, Thailand

could lose a critical window for constitutional reform altogether. [Bangkok Post 4]

As campaigning intensifies, oversight institutions are also seeking to shape the rules of engagement. The National Anti-Corruption Commission has proposed a new framework to tighten scrutiny of election policies, focusing on the risk of so-called policy-based corruption. Under the proposal, political parties would be required to submit detailed information on major policy platforms to the Election Commission for public disclosure, allowing voters and watchdogs to assess fiscal exposure, feasibility, economic and social impact, and safeguards against abuse.

The NACC has emphasized that policy-based corruption does not refer to direct bribery, but to situations in which policies presented as serving the public interest end up benefiting political allies or entrenched networks, often through weak feasibility studies, discretionary procurement, or long-term budgetary risks.

In justifying the proposal, the commission pointed to past precedents that remain politically sensitive, most notably the rice-pledging program under former prime minister Yingluck Shinawatra, which sought to support farmers through above-market purchase prices but later resulted in major fiscal losses and allegations of mismanagement. Earlier large-scale programs under Thaksin Shinawatra in the early 2000s were also cited as examples of ambitious policy initiatives that later drew scrutiny over weak controls, conflicts of interest, and long-term financial consequences. [Bangkok Post 5]

Thailand: Reformist opposition rejects claims of royal defamation law changes

(lm) As Thailand moves toward a snap general election in February 2026, the political divide over the country's lèse-majesté law (Section 112 of the Criminal Code) has sharpened, shaping both campaign narratives and post-election coalition calculations.

Caretaker Prime Minister Anutin Charnvirakul, leader of the Bhumjaithai Party, has reiterated that his party will not join any future government that includes parties advocating amendments to Section 112, which criminalizes insults to the monarchy and carries severe prison penalties. Anutin framed the issue as a fundamental ideological boundary, arguing that respect for existing law—especially laws related to the monarchy—is essential to political stability. While he

left room for cooperation on day-to-day policy matters, he ruled out coalition partnership where positions could deepen social division. [Bangkok Post 1]

The stance directly targets the People's Party, the main reform-oriented opposition force and the single largest party in the dissolved lower House. The People's Party has explicitly rejected claims that it intends to amend Section 112, arguing that the issue is being revived for political leverage rather than reflecting its current platform. Party leader Natthaphong Ruengpanyawut said the party has no policy to change the law and accused Anutin of deliberately centering the campaign on the monarchy issue to constrain coalition options.

This sensitivity is rooted in recent legal precedent. The People's Party is the successor to the Move Forward Party, which was dissolved by Thailand's Constitutional Court in 2024 after judges ruled that its campaign advocacy for reforming Section 112 amounted to an attempt to undermine the constitutional monarchy. Several senior figures were banned from politics, forcing remaining lawmakers to regroup under the newly formed People's Party. Against this backdrop, distancing itself from Section 112 reform is not only a policy clarification for the party, but a response to a ruling that eliminated its predecessor from the political system.

Natthaphong has said the People's Party's priorities lie instead in governance reform, strengthening rule-of-law enforcement, and excluding figures with opaque political or business backgrounds from cabinet posts. While he has ruled out supporting Anutin as prime minister, he has left open the possibility of cooperation with other parties under defined conditions. [Bangkok Post 2] [Bangkok Post 3]

These governance claims have come under immediate scrutiny following a candidate-level controversy. On December 29, the People's Party withdrew its candidate for Bangkok constituency 33, Boonyarit Raorungrot, after learning that he was the subject of a court-issued arrest warrant linked to a large-scale money-laundering investigation. Police later confirmed that Boonyarit had been taken into custody along with other suspects, with authorities seizing assets worth more than THB 200 million (approximately USD 5.8 million). [Bangkok Post 4]

Thailand: Governing party finalizes prime ministerial lineup, expands Bangkok push ahead of February election

(bk/lm) In the run-up to Thailand's February 8, 2026 general election, the Bhumjaithai Party, currently leading the caretaker government, has finalized its prime ministerial and party-list strategy.

The party confirmed Anutin Charnvirakul—Thailand's caretaker prime minister and long-time Bhumjaithai leader—as its primary prime ministerial candidate. After initial mixed signals, the party later added Foreign Minister Sihasak Phuangketkeow as a second prime ministerial nominee, citing diplomatic experience and continuity in foreign affairs. Senior ministers Ekniti Nitithanprapas (finance) and Suphajee Suthamphun (commerce) are expected to serve as deputy prime ministers if the party forms the next government. [Bangkok Post 1] [Bangkok Post 2]

At the same time, Bhumjaithai named Varawut Silpa-archa as its third-ranked party-list candidate, a move with broader political significance. Varawut, the son of former prime minister Banharn Silpa-archa, recently joined Bhumjaithai after leaving the Chartthaipattana Party, which he previously led. His defection—along with other Chartthaipattana figures—reflects a late pre-election realignment, particularly in Suphan Buri, a province long associated with his family's political network. Bhumjaithai leaders explicitly framed the move as a consolidation of shared political roots and regional influence. [Bangkok Post 3]

Alongside finalizing its leadership slate, Bhumjaithai has announced it will field candidates in all 33 parliamentary constituencies in Bangkok for the first time. The strategy was outlined by Supamas Isarabhakdi, a party executive overseeing Bangkok constituency coordination. She acknowledged that Bangkok voters are highly politically engaged and demanding, and said the party aims to present itself as a professional, urban-credible governing option, countering perceptions that its support base is primarily provincial. [Bangkok Post 4]

Nationally, Bhumjaithai is contesting all 400 constituency seats and submitting a full 100-candidate party list, urging voters to give it sufficient support to govern with fewer coalition constraints. Party officials have acknowledged that no party is expected to secure an outright majority. At the time parliament was dissolved, Bhumjaithai held 71 seats, trailing the opposition People's Party and Pheu Thai, underscoring the competitive three-party landscape and the strategic importance of gains in Bangkok. [Thai PBS World]

Thailand: Centrist opposition party fields three prime ministerial candidates for February election

(lm) Thailand's Democrat Party, the country's oldest political party and a long-standing centrist force in Thai politics, has formally unveiled three candidates for prime minister ahead of the February 8, 2026 general election. The party announced that its leader, Abhisit Vejjajiva, along with deputy leaders Korn Chatikavanij and Karndee Leopairote, will jointly contest the premiership.

Abhisit, who previously served as prime minister from 2008 to 2011, returned as party leader in October after being elected unopposed at an extraordinary party assembly. He had earlier resigned from the party amid internal turmoil but has now re-emerged as its central figure. Korn, a former finance minister under Abhisit's government, brings economic policy experience, while Karndee, a futurologist with a background in digital economy and cryptocurrency, represents the party's effort to broaden its appeal to younger and tech-oriented voters. [Bangkok Post 1]

Alongside the leadership announcement, the Democrats unveiled a policy framework titled *"How to Make Thailand Free from Poverty – Through Capable People."* Party leaders argued that Thailand has experienced prolonged economic stagnation over the past 15 years, citing slow gross domestic product growth, rising household debt approaching 90 percent of gross domestic product, demographic pressures, higher living costs, and skills mismatches amid technological change. They also pointed to what they described as a decline in governance standards and Thailand's international standing.

The party said its poverty-reduction strategy rests on three pillars: integrity and effectiveness in governance, accelerated economic growth, and fairness in income distribution and law enforcement. It indicated that a package of 27 detailed policy proposals aimed at reducing poverty by 2026 will be released in the coming weeks, positioning the Democrats' platform as a longer-term structural reform agenda rather than short-term fiscal intervention. [Bangkok Post 2]

Thailand: Pheu Thai lead candidate defends party's stance on border row and seeks to rebuild support ahead of February election

(lm) As Thailand's February 8, 2026 general election approaches, the Pheu Thai Party—one of the country's traditional major parties—has been working to define its position on national security and foreign relations amid ongoing Thai–Cambodian border tensions.

Yodchanan Wongsawat, one of Pheu Thai's prime ministerial candidates and increasingly treated as its lead contender, has sought to steer the party's narrative away from fallout linked to a leaked 2025 phone call involving former prime minister Paetongtarn Shinawatra and Cambodian Senate President Hun Sen. That phone call became politically explosive, contributing to the collapse of Paetongtarn's government and reinforcing perceptions of weakness in foreign policy, and it continues to cast a long shadow on the party's standing.

Yodchanan—who has close family ties to Thailand's Shinawatra political dynasty (he is the son of former prime minister Somchai Wongsawat, the nephew of Thaksin and Yingluck Shinawatra, and the cousin of Paetongtarn)—argued that the border tensions are not the result of Shinawatra-era diplomacy, but rather arose because the Thai government's intensified crackdown on transnational scam networks reduced scam activity by over 40 percent, provoking backlash from criminal groups. He cautioned against exploiting nationalism for political gain and urged careful diplomatic and security responses to manage uncertainty for industry and small businesses.

In campaign discussions with business leaders, Yodchanan also emphasized Pheu Thai's broader policy goals—such as reducing logistics costs, enhancing competitiveness, and strengthening transport infrastructure—to reinforce Thailand's appeal as an economic hub and support innovation, science, and technology sectors.

Despite his efforts to reframe the narrative, observers note that Pheu Thai's electoral appeal has weakened since its tenure in government ended amid political turmoil, and that residual distrust linked to the Shinawatra legacy and the phone-call episode continues to influence voter sentiment. Polling data suggest that Yodchanan's technocratic, academic profile has yet to significantly shift public support, especially in Bangkok, where the party has struggled to regain traction. [Bangkok Post 1] [Bangkok Post 2]

Alongside its repositioning, Pheu Thai has unveiled a one-off household debt relief package, framed as a targeted intervention rather than a structural overhaul of Thailand's financial system. The proposal was presented by deputy party leader Paopoom

Rojanasakul and is aimed at easing pressure in an economy where household debt stands at close to 90 percent of gross domestic product. [Bangkok Post 3]

Thailand: Kla Tham consolidates around deputy prime minister as sole prime ministerial contender

(lm) Thailand's February 8, 2026, general election approaching, smaller but strategically important parties are clarifying their leadership line-ups. The Kla Tham Party has formally positioned Thamanat Prompow, currently deputy prime minister and agriculture minister, as its sole candidate for prime minister, underscoring his dominance within the party and its campaign strategy.

Thamanat has announced that he will also head the party-list slate, openly describing Kla Tham as a political vehicle built around his leadership. He has downplayed seat targets, stressing experience, risk-taking, and incremental gains rather than headline numbers, while promoting the campaign slogan "Do More Than Talk." Around 60 sitting members of parliament have already aligned with the party, which has been attracting defectors from other political camps. [Bangkok Post]

Thamanat's prominence is inseparable from his controversial background and role as a political power broker. A former army officer, he has long been known as a behind-the-scenes deal-maker capable of mobilizing parliamentary blocs and stabilizing coalitions. His career, however, has repeatedly drawn scrutiny. In the 1990s, he was convicted in Australia on drug-trafficking charges under a different name and served several years in prison before being deported.

More recently, Thamanat's name has appeared indirectly in domestic controversies involving transnational scam networks linked to Cambodia. Photographs and allegations circulated online have sought to associate Thai political figures with Benjamin Mauerberger, a foreign national accused in regional fraud cases. Thamanat has publicly denied any involvement, stating that there is no evidence tying him to illicit networks and framing such claims as politically motivated.

Thailand: Parties clash over coalition positioning ahead of February 2026

election

(lm) Thailand's Klatham Party, a newer political party positioning itself as a major contender in the upcoming February 8, 2026 general election, has rejected remarks by Abhisit Vejjajiva, leader of the Democrat Party, who said his party would not join any post-election coalition that includes Klatham.

The Democrat Party, Thailand's oldest political party, has struggled to regain electoral strength in recent years. Abhisit's comments were made during a televised debate and were widely interpreted as an attempt to draw clear coalition boundaries ahead of the vote.

Klatham figures responded by arguing that such declarations are premature in Thailand's political system, where governments are almost always formed through multi-party coalitions after elections. Thamanat Prompow, a senior adviser to and de fac to power center of Klatham, said coalition outcomes depend on voter results rather than pre-election statements, noting that under Thailand's constitution any party with at least 25 seats in the House of Representatives can nominate a prime ministerial candidate.

Klatham representatives also accused the Democrat Party of inconsistency, pointing to past elections in which Democrats ruled out cooperation with certain parties before later reversing course. They argued that voters, rather than political leaders, should determine which parties are entitled to shape the next government.

In response to criticism about former Democrat lawmakers joining Klatham and allegations linking the party to past controversies, Klatham officials defended the defections as voluntary and dismissed claims based on personal associations rather than legal findings. [Bangkok Post 1] [Bangkok Post 2]

Thailand: Military establishment-aligned party faces leadership rupture weeks before election

(bk/lm) Thailand's Palang Pracharath Party—a conservative party closely associated with the military-backed governments that emerged after the 2014 coup—is undergoing a significant leadership and strategic rupture ahead of the February 8, 2026 general election.

On December 26, party leader Prawit Wongsuwon signaled his intention to withdraw from frontline politics after deciding not to stand as the party's candidate for prime minister. Prawit, an 80-year-old retired general, is a central figure in Thailand's post-coup political order and played a decisive role in backing the 2014 military takeover as well as the subsequent governments led by Prayut Chan-o-cha, a former army chief. His withdrawal, officially attributed to health concerns, had been widely anticipated and is seen as marking the gradual exit of one of the last senior military power brokers from electoral politics. [Bangkok Post]

A day earlier, on December 25, former finance minister Thirachai Phuvanatnaranubala announced his immediate resignation from all party positions, including deputy leader, executive committee member, and prime ministerial candidate. Thirachai, an economist who had only recently been named as the party's second candidate for prime minister, said his political involvement was based on confidence in Prawit's leadership. With Prawit stepping aside from the premiership race, Thirachai said it was appropriate for him to conclude his political role and return to academic work.

The dual departures have forced the party to rapidly adjust its electoral strategy just weeks before the polls. With both Prawit and Thirachai out of the prime ministerial contest, Palang Pracharath has moved to position its secretary-general, Treenuch Thienthong, as its principal candidate for prime minister. [Thai PBS World] [Daily News (in Thai)]

Thailand: Court hands down record fraud sentence, capped at 20 years

(bk) A Thai criminal court has sentenced businessman Prasit Jeawkok, a private-sector promoter of illegal loan and investment schemes, to a combined 1,210 years in prison after convicting him on 242 counts of fraud, illegal public borrowing, and computer-related offenses. Under Thai law, however, the enforceable prison term is capped at 20 years, which will be the actual sentence served.

The case was brought by the Economic and Resource Crime Division—Thailand's specialized prosecutorial unit for large-scale financial crimes—against Prasit, two companies linked to the schemes, and several associates. The court found that the defendants systematically solicited funds from the public through

fraudulent investment promises in violation of the Public Borrowing Act and the Computer Crime Act.

The two companies were each fined THB 121 million (approximately USD 3.6 million), later reduced to about THB 80 million (around USD 2.4 million) after partial cooperation. Prasit and the companies were jointly ordered to pay compensation to 267 victims. Another defendant received a similarly aggregated sentence that was likewise capped at 20 years.

The ruling follows an earlier July 2023 judgment in which Prasit received an aggregated sentence of 1,155 years in a separate fraud case, also capped at 20 years, with restitution orders exceeding THB 1 billion (approximately USD 30 million). [The Nation] [Bangkok Post 1] [Bangkok Post 2] [Khaosod English]

Thailand: Anti-corruption body moves to prosecute senior officials over forest land titles in Phuket

(lm) Thailand's anti-corruption authorities have decided to move forward with criminal and disciplinary proceedings against a former deputy governor of Phuket and multiple land officials over the issuance of land title deeds inside a protected national forest reserve.

The case concerns two land titles issued in 2011 covering approximately 0.022 square kilometers in the Kamala mountain forest, an area where land ownership is prohibited. Investigators found that officials proceeded with approvals despite internal acknowledgment that the land lay within a national forest reserve. The case has been forwarded to the Attorney General for prosecution, with instructions to revoke the land titles and pursue disciplinary action. [Bangkok Post]

Thailand: Bribery allegations involving NACC officials draw legal counterclaims and expand probe linked to former police chief

(lm) A senior member of Thailand's National Anti-Corruption Commission (NACC) has initiated legal action against a former police officer over what he describes as false and malicious bribery allegations, as a parallel investigation continues into an alleged gold-

bribery scheme linked to a former deputy national police chief.

On December 29, NACC commissioner Ekkawit Watchawalku authorized his legal team to file a complaint against Ekphakphum Phitsamai, a former aide to Surachate Hakparn, widely known as “Big Joke.” Ekphakphum had alleged that the commissioner solicited a bribe in the form of gold bars weighing 246 baht. Ekkawit’s lawyers rejected the claim, stating that he had transparently declared his assets and undergone statutory vetting before assuming office, had never possessed gold bars, and had no personal relationship with the accuser beyond a single professional interaction during an inquiry. The legal filing argues that if the allegation were true it would also implicate the accuser in offering a bribe, while if false it would amount to filing a false complaint.

The dispute unfolds against the backdrop of a broader investigation led by the Central Investigation Bureau (CIB) into alleged attempts to bribe NACC officials. The case centers on Surachate Hakparn, a former deputy national police chief who rose to prominence through senior roles in the Royal Thai Police, including as head of the Immigration Bureau, before becoming embroiled in internal power struggles and corruption allegations. Surachate was suspended in March 2024 and formally dismissed from police service by royal command in August 2024 following a disciplinary inquiry into alleged links to an illegal online gambling network; he has denied wrongdoing and is contesting his dismissal in court.

Investigators allege that in September 2024 Surachate ordered a subordinate to deliver gold bars to an NACC commissioner in Bangkok as an attempted bribe. In connection with the probe, a former senior NACC expert surrendered to investigators on December 27. Searches at multiple locations linked to the case resulted in the seizure of 120 baht-weight of gold bars —a standard unit used in Thai gold markets—and the collection of documents for further examination. Surachate appeared before investigators last week to hear the charges and again denied any involvement. [Bangkok Post 1] [Bangkok Post 2]

Thailand: Legal action planned under new sexual harassment law following online comments

(lm) A political campaigner in Thailand is preparing to file legal complaints against a well-known singer-actor over online remarks described as sexually

inappropriate, in what is expected to be among the first prominent cases under Thailand's newly amended sexual harassment provisions.

Yossuda "Jinnie" Leelapanyalert, 26, who has recently taken on a public campaign role, is the daughter of Sudarat Keyuraphan, a veteran politician and former cabinet minister who currently leads the Thai Sang Thai Party, a small opposition political party formed in 2022. Party sources said Leelapanyalert is retaining lawyers to pursue action under the revised Criminal Code and the Computer Crime Act.

The case stems from comments posted online by Pakorn Lam, widely known by his nickname "Dome," in response to a photograph of Leelapanyalert shared on social media by a third party. The comments prompted public criticism. Pakorn later issued an apology, saying he had been intoxicated at the time, was unaware of the woman's identity, and had since contacted Sudarat Keyuraphan directly to express regret.

Thailand's Criminal Code was amended this week to explicitly criminalize verbal, behavioral, and online sexual harassment. Legal experts note that the new provisions allow for prison sentences of between one and five years and reflect a policy shift toward stronger legal protection against harassment, particularly in digital spaces. [Bangkok Post]

Thailand: Two army officers detained over alleged rape of female officer

(lm) Two military officers have been taken into custody in Bangkok after being accused of raping a female first lieutenant and filming the assault to intimidate her into silence, according to police. The victim, a 29-year-old first lieutenant alleges that a retired lieutenant general, with whom she had previously been in a relationship, abducted her and raped her at a motel after she tried to end the relationship. A serving army captain, from the same unit as the victim, is accused of assisting in the assault and recording the incident to deter her from reporting it. [Bangkok Post]

Thailand: Rival parties set out competing plans to overhaul military conscription

(lm) Two leading contenders in Thailand's February 8, 2026 general election—the main opposition People's Party and the ruling Bhumjaithai Party—have both

placed reform of military conscription at the center of their campaign platforms, proposing different pathways toward a volunteer-based force.

The Bhumjaithai Party, led by caretaker Prime Minister Anutin Charnvirakul, says it aims to move away from compulsory enlistment by recruiting 100,000 volunteer soldiers on four-year contracts, each earning THB 12,000 per month (USD 360). The party frames the proposal as ending the "conscription mindset," but has yet to clarify whether the target refers to total recruits over four years or annual intakes, leaving key implementation details unresolved.

By contrast, the People's Party has released a more detailed plan to abolish conscription outright while maintaining combat readiness. It proposes cutting administrative posts and reducing overall troop numbers from 130,000 to 119,000, while preserving frontline forces. The party would recruit at least 30,000 volunteers per year on four-year contracts, with the option to extend service to eight years. Volunteers would receive annual salary increases of three percent and an end-of-service payment equivalent to 2.5 times their final annual salary per year served, totaling THB 120,020 after four years (USD 3,601). Additional measures include improved welfare, professional standards, and allowing soldiers to commute after basic training to address mental health concerns and abuses linked to barracks life. [Bangkok Post]

Thailand: Royal command grants special military ranks to royal aides-de-camp

(lm) A royal command has granted special military ranks and royal decorations to 15 officers serving as royal aides-de-camp, senior military and police officers appointed by royal instruction to carry out ceremonial, representational, and liaison duties in support of the monarchy.

Among those honored is Boonsin Padklang, a career Royal Thai Army officer who served as commander of the 2nd Army Area, the army formation responsible for northeastern Thailand, including areas adjacent to the Cambodia–Thailand border. Boonsin's tenure in that role included involvement in the 2025 Cambodia–Thailand border conflict, where he was a visible military figure. Boonsin, previously a lieutenant general, has been elevated to full general under the royal command. [Bangkok Post]

Timor-Leste: Implementation of new public procurement code approved

The government of Timor-Leste has approved the regulatory framework and standard documents required to implement its new Code on Procurement and Public Contracts, completing a critical step in the country's public finance reform agenda ahead of the code's entry into force on January 1, 2026.

Meeting on December 22 at the Government Palace in Dili, the Council of Ministers adopted two government decrees approving the regulation for applying the new procurement code, alongside a comprehensive overview of the legal framework and standardized procurement documents. The measures are intended to provide clear, uniform and practical guidance for civil servants, procurement managers and other stakeholders involved in public contracting.

The approved documents systematize the core principles, procurement methods and rules governing public contracts for goods, services and works. They will be made available through the national Procurement Portal in the country's official languages, with translations into working languages, and will apply to all contracts concluded by entities within the administrative public sector.

The cabinet also approved standardized procurement documents organized into three categories—goods, services and works—to simplify their use depending on contract type. Associated procurement forms will be issued by the Ministry of Finance, while public entities will be required to retain procurement records for at least ten years.

The new code, adopted in January 2025 as part of reforms led by the IX Constitutional Government, replaces the previous regime and aims to modernize procedures, strengthen transparency, improve efficiency in public spending and support domestic businesses, including through preferential treatment for national suppliers. [Government of Timor-Leste]

Timor-Leste: Formalized partnership to build sovereign AI-powered digital nation

(ms) The government of Timor-Leste is set to formalize a landmark partnership with Malaysian technology firm Zchwantech to co-develop a sovereign, AI-powered national digital ecosystem, marking a major step in the country's long-term digital transformation.

The collaboration, unveiled following a high-level delegation visit to Kuala Lumpur, aligns with Timor-Leste's *Timor Digital 2032* strategy and focuses on building secure, in-country digital infrastructure. Zchwantech chairman Seow Gim Shen said the company would deliver end-to-end capabilities spanning sovereign cloud infrastructure, cybersecurity, AI platforms and digital governance frameworks, with an emphasis on resilience and national ownership.

An initial feasibility study will assess the development of a Tier 3+ National Sovereign AI Cloud and Data Centre located within Timor-Leste to ensure data sovereignty and operational security. Beyond infrastructure, the partnership will explore an AI-enhanced National Digital Identity system using advanced biometrics, aimed at improving access to public services and financial inclusion.

Zchwantech executive director Alex Chan said technology transfer and skills development for local institutions would be central to the project's sustainability.

Future phases may include smart border management, digital trade facilitation, and AI-enabled public services. Timor-Leste official Benigno Humberto Gregorio Da Cruz said the partnership reflects a strategic choice to build sovereign digital capability and accelerate national development. [Focus Malaysia]

Vietnam: Tô Lâm endorsed for continued party leadership as speculation emerges over a possible dual role

(ms) Vietnam's ruling Communist Party has endorsed Tô Lâm to continue as party general secretary ahead of the country's next national party congress, according to state media and international reporting, signaling leadership continuity after several years marked by high-level resignations and disciplinary actions. The endorsement confirms Tô Lâm's position at the apex of Vietnam's political system, where the party chief exercises decisive influence over strategic direction, personnel appointments, and internal discipline.

His rise followed a long career in the public security apparatus and coincided with an expansive anti-corruption campaign that reshaped the upper ranks of the party and state. For investors and foreign observers, the move has been widely interpreted as reducing uncertainty at a time when Vietnam faces economic headwinds and an increasingly complex geopolitical environment.

Separate from this confirmed development, speculation has begun to circulate that Tô Lâm could also be considered for the post of state president, potentially combining the two roles again after holding both roles temporarily in 2024. Vietnamese authorities have not commented publicly on such reports, and no formal steps toward a change have been announced. Vietnam has previously seen temporary overlaps between the offices of party general secretary and president, most notably between 2018 and 2021, when the arrangement was framed as exceptional rather than as a permanent restructuring of the leadership system. Any move to combine the posts again would require decisions by the party's top bodies and subsequent formal approval by the National Assembly. [Bloomberg] [France24] [South China Morning Post]

The speculation has also focused attention on the current president, Lương Cường, who assumed office in 2024 after a period of leadership turnover. Any scenario in which Tô Lâm were to assume the presidency would not imply Lương Cường's removal in a punitive or exceptional sense, but rather a regular and orderly succession consistent with Vietnam's institutional practices. The presidency is not a fixed-term executive office in the Western sense, and changes to the post have frequently occurred as part of broader leadership realignments approved by the party.

Lương Cường's background is often described as "military," but analysts caution that this label can be misleading. His career has been rooted in the political structures of the Vietnam People's Army, particularly within the General Political Department, which functions not as an operational military command but as the party's supervisory and ideological authority inside the armed forces. In that capacity, Lương Cường has been associated less with military command than with ensuring party control, discipline, and cohesion within the army. His elevation to the presidency was therefore widely interpreted as an institutional signal of continuity in the party–military relationship, rather than as the empowerment of the military as a distinct political actor.

The prospect that Tô Lâm could also assume the presidency has raised questions about whether such a transition might affect that balance. Most specialists argue that this is unlikely in itself. Vietnam's armed forces are subordinated to the Communist Party as an institution, not to individual officeholders, and their influence is exercised primarily through party organs such as the Central Committee, the Politburo, and the military's own political structures. The presidency, while symbolically important, is not the principal

channel through which the military's interests are represented. As a result, a change in who holds the presidential title would not automatically translate into a shift in civil–military relations.

The system, different to other one-party states like China, continues to function through collective leadership and internal consensus-building, even when authority appears to be concentrated in fewer hands. In this context, debates over titles should be distinguished from changes in decision-making power, which remain embedded in party institutions rather than in any single office. [Thayer Consultancy 1] [Thayer Consultancy 2] [The Diplomat]

For now, the only confirmed development is the party's endorsement of Tô Lâm to continue as general secretary. The question of a potential dual role remains speculative, with no official confirmation or procedural indication that such a change is imminent. Greater clarity is expected as preparations for the national party congress advance, when leadership arrangements for the next term will be formally settled.

Vietnam: Leadership of Trade Ministry reassigned

(hn/ms) Vietnam has reassigned its trade minister as the Communist Party intensifies an internal leadership review ahead of the next Party Congress, a move that underscores the growing political significance of personnel decisions in the run-up to the country's most important political gathering.

Nguyễn Hồng Diên has been removed as Minister of Industry and Trade and transferred to a senior Party position within the Vietnam National Assembly. He is succeeded on an acting basis by Lê Mạnh Hùng, formerly chairman of the state-owned energy group PetroVietnam. [Vietnamenergy] [Vietnam]

The reshuffle comes as the Party Central Committee meets to discuss key personnel and policy issues before the congress, scheduled for early 2026. In remarks published by state media, Party chief Tô Lâm stressed that leadership selection must be conducted with "prudence, certainty and accuracy," reflecting heightened sensitivity around the process.

Diên's removal comes at a delicate moment for Vietnam's economy. He had been leading negotiations with Washington after the United States threatened steep tariffs on Vietnamese exports, a risk for the

export-dependent Southeast Asian nation. While Hanoi and Washington later announced a framework deal, talks on final details remain ongoing.

Rather than signaling a demotion, Diên's transfer to a Party role appears to reflect a common pre-congress pattern: shifting senior officials away from high-profile executive positions while keeping them within the political system. Analysts say this allows the leadership to limit exposure to economic or diplomatic risks while maintaining internal balance.

His successor, Lê Mạnh Hùng, brings a markedly different profile. A petrochemical engineer by training, Hùng has spent decades in senior roles within Vietnam's energy sector and is considered a trusted Party insider. He also hails from Hưng Yên province, the same region as Tô Lâm—an overlap that has attracted quiet attention among political observers, as it indicate a potential patronage connection between the two. [Bloomberg]

Vietnam: New Enforcement decree signals a harder line on compliance

(ms) Vietnam's Decree 296/2025, set to take effect on January 1, 2026, marks a shift in how administrative penalties are enforced—and in how the state relates to private assets, households, and small businesses. While officially framed as a technical update to close loopholes and improve efficiency, the decree carries implications that go well beyond procedural reform.

Replacing Decree 166/2013 after more than a decade, the new rules give authorities broader and faster enforcement powers. Most notably, officials will no longer be required to apply enforcement measures in a fixed sequence. Instead, they can deploy multiple measures simultaneously, sharply reducing the time available for violators to delay compliance or move assets out of reach. In practice, this strengthens the state's coercive capacity and lowers the threshold for rapid asset seizure.

The decree's expansion of enforcement to households, business households, cooperative groups, and residential communities is equally consequential. While shared assets are to be used first, individual members may be forced to cover fines with personal property if collective resources fall short. This introduces a logic of collective liability that increases internal pressure within families and small economic units, effectively turning them into agents of self-enforcement.

Business households—an essential but often informal pillar of Vietnam's economy—appear particularly exposed. By weakening the separation between business assets and personal property, the decree raises legal and financial risks for small entrepreneurs, potentially discouraging formalization and favoring larger firms with greater compliance capacity.

Financial provisions further reinforce the state's reach. Authorities can demand account information within days and directly request data from banks, including foreign bank branches operating in Vietnam. While justified as anti-evasion measures, safeguards for due process and proportionality remain unclear.

Finally, the strict ban on using state budget funds to pay fines imposed on public agencies signals tighter internal discipline, reinforcing the leadership's broader push for control and accountability. [Lao Dong] [Vietnam.net] [Vnexpress, in Vietnamese]

Vietnam: New approach to urban classification discussed by National Assembly Standing Committee

(hn) The National Assembly (NA) Standing Committee reviewed draft resolutions on administrative unit standards and urban classification at its 52nd session on December 24. The proposed urban classification resolution introduces a new approach that defines cities based on development space, functions, and roles within the national urban system rather than existing administrative boundaries. It focuses on socio-economic significance, urbanization levels, and infrastructure, while incorporating green, smart, and climate-resilient development and greater decentralization.

A separate draft resolution on standards for administrative units was also presented, with updates to better reflect current conditions and feedback from relevant committees. NA leaders emphasized the need for consistency with Party directives and existing laws. All committee members approved the two resolutions in principle, and also unanimously passed a resolution guiding the implementation of the Law on Supervision Activities of the NA and People's Councils. [Vietnamlawmagazine] [Vietnamplus]

Vietnam: Hanoi announces key personnel changes within party committee offices

(hn) The Standing Committee of the Hanoi Party Committee has appointed Major General Nguyen Thanh Long, Deputy Director of the Hanoi Police Department, on secondment to serve as Chief of the Hanoi Party Committee Office. The decision was announced on December 26 during a ceremony on personnel arrangements.

At the same time, Tran Thanh Ha, a member of the Hanoi Party Committee and former Chief of the Party Committee Office, was reassigned to work at the Office of the National Assembly Delegation and the People's Council of Hanoi, where he now serves as Chief of that office. [Thanhnien, in Vietnamese]

Vietnam: Ex-Vietnamese official accused of exploiting influence in massive fake testing scheme

(hn) Nguyen Nam Khanh, former secretary to a Deputy Head of the Government Office, has been accused of abusing his influence to receive VND 4 billion (approximately USD 160,000) in bribes and facilitating the issuance of fake testing certificates for two companies. The Supreme People's Procuracy has proposed prosecuting him for abusing influence for personal gain.

In the same case, Doan Huu Luong, Chairman of TSL Science Co., Ltd.; Ho Thi Thanh Phuong, CEO of TSL and Avatek; and Nguyen Ha Linh (Khanh's wife) are accused of falsification in official duties and bribery. A total of 100 defendants will be tried at the Ho Chi Minh City People's Court.

Between 2020 and May 2025, TSL allegedly issued more than 118,000 fake testing certificates to nearly 13,000 businesses and individuals, earning over VND 117 billion (approximately USD 4.68 million) in illegal profits.

After splitting from TSL, Phuong established Avatek and continued similar practices. From March 2023 to April 2025, Avatek allegedly issued over 102,500 fake certificates to 11,500 entities, generating illicit profits of VND 83.7 billion (approximately USD 3.35 million). [Vnexpress, in Vietnamese] [Tuoitre, in Vietnamese]

Vietnam: Central bank flags liquidity risks

(ms) Vietnam's central bank has warned of emerging liquidity strains in parts of the banking system after a

surge in lending outpaced deposit growth, underscoring the mounting challenges facing policymakers as they push for rapid economic expansion amid growing external risks.

The State Bank of Vietnam said bank loans rose 19.4 percent in 2025 from a year earlier, exceeding the official target of 16 percent and far surpassing deposit growth. The imbalance is increasing pressure on bank liquidity and interest rates, according to Phạm Chí Quang, head of the central bank's monetary policy department.

Much of the credit expansion has been driven by government efforts to support the export-led economy and lay the groundwork for an ambitious growth target of at least 10 percent annually over the next five years. Lending to the technology sector alone jumped more than 30 percent this year, highlighting the scale of policy-driven credit allocation.

At the same time, officials cautioned that external conditions are becoming less supportive. Deputy Governor Phạm Thanh Hà cited rising uncertainty from global geopolitical tensions, the impact of US tariffs on Vietnamese exports, and shifting expectations around US Federal Reserve rate cuts. Vietnam's economy grew 8.2 percent in the most recent quarter, boosted by a rush to ship goods to the US ahead of higher tariffs that took effect earlier this year.

Prime Minister Phạm Minh Chính has urged the central bank to draft a roadmap to abolish annual credit growth quotas, a long-standing policy tool, starting next year. While intended to give banks more flexibility, such a move could amplify risks if liquidity pressures persist. [Bloomberg]

Vietnam: Developers recalibrate as major infrastructure projects are reprioritized

(hn/ms) Several of Vietnam's largest private developers are scaling back involvement in headline infrastructure and urban megaprojects, signaling a broader recalibration of capital allocation as financial scrutiny and project complexity intensify.

Vingroup, the country's largest conglomerate, has formally withdrawn its proposal to invest in the USD 67 billion North–South high-speed railway, citing the need to concentrate resources on other strategic national projects. These include newly assigned transport links and a planned 9,000-hectare Olympic Sports Urban

Area in Hanoi, anchored by major stadium and sports facilities.

The withdrawal follows concerns raised by regulators over Vingroup's highly leveraged balance sheet and limited experience in large-scale rail infrastructure. Both the central bank and the finance ministry had flagged risks related to the company's proposal, which sought heavy state backing through zero-interest, long-term loans. While the announcement briefly weighed on Vingroup-linked stocks, the government has said the railway project will proceed, with multiple other domestic investors expressing interest.

A similar refocusing is underway in Hanoi's ambitious Red River Scenic Axis urban redevelopment project. Đèo Cả Group has opted to withdraw, stating that the vast real estate-led redevelopment does not align with its core expertise in transport infrastructure and tunneling. The company said the decision was intended to avoid inefficient capital use.

MIK Group has also exited the project, transferring its rights and obligations to Đại Quang Minh, the consortium's lead investor. MIK Group said it will instead focus on high-quality residential developments where it sees stronger execution capacity.

Taken together, the moves reflect a more cautious, specialization-driven approach by Vietnam's private developers as megaprojects face rising financial, regulatory and execution risks. [Dantri, in Vietnamese] [Reuters] [Vietnamfinance, in Vietnamese]

Vietnam: Reduction of personal income tax beginning in 2026

(ln) New personal income tax (PIT) regulations will come into effect on January 1, 2026. The regulations primarily consist of higher deductions and a revision in progressive tax brackets.

Vietnam's tax structure is shifting from seven to five progressive brackets, benefiting higher earners moreso. Personal deductions will rise from VND 11 million (USD 418) to VND 15.5 million (USD 590) per month. Taxpayers are also qualified for mandatory deductions for insurance and contributions to charity and humanitarian funds. Specifically, they are entitled to deductions from eligible healthcare and education costs for themselves and their dependents. Additionally, extra deductions of VND 6.2 million (USD 235) will be given for each dependent. These new regulations are aimed to be human-centered with

reductions in essential costs burdens and the development of health and education.

While the new PIT regulations will benefit millions of taxpayers, legal experts propose further revisions on how an individual is considered as a dependent. Presently, an individual is only considered as a dependent, under Vietnam's current tax system, if their income does not exceed VND 1 million per month (USD 38). Increasing the income maximum threshold, or allowing partial deductions, would be more beneficial. [Vietnamnews]

Vietnam: Prime Minister Phạm Minh Chính encourages advancements on infrastructure projects in Southern provinces

(ln) On December 28, Prime Minister Phạm Minh Chính expressed the importance of the development of the southernmost region in Vietnam, namely the Đất Mũi Commune, for the country's socio-economic development and national defense.

PM Phạm visited and conducted an aerial visit of the coastal and island regions of the Đất Mũi Commune and viewed five islands in total, Hòn Khoai, Hòn Sao, Hòn Go, Hòn Đồi Mồi and Hòn Đá Lẻ. Many major infrastructure projects are in progress within this region including transport routes, expressways and a general port, with funding for these projects totalling around USD 3.88 billion. With land clearances mostly finished in these areas, PM Phạm urges for the acceleration of the projects' completion, requesting aid from the defense ministry to speed up progress. Priority is dedicated towards finishing the Hậu Giang–Cà Mau expressway section before January 31, 2026. [Vietnamnews]

Vietnam: Mandatory emission quotas across all sectors from 2028

(ln) Vietnam plans to officially implement an emission quotas management system across all sectors and businesses from 2028. The Ministry of Agriculture and Environment have worked with various corporations and associations to develop a quota allocation method with a quota adjustment coefficient. The coefficient will be based on emission reduction targets, growth targets, and the technological capacity of facilities. The systems are designed to align with international

standards namely the United Nations Framework Convention on Climate Change (UNFCCC) and contribute to Vietnam's responsibilities under its Nationally Determined Contribution (NDC).

With the estimated total emissions of plants in 2025-2026, the total emissions quota for each industry will vary. The total quota for thermal power plants will be 1.6-2 percent lower, iron and steel production facilities will be 3.8-4.4 percent lower and cement production facilities will be 4-4.5 percent lower.

There were also proposals to establish an independent measurement and verification system to confirm the accuracy of emissions data of each industry. Meanwhile, representatives of the multiple industries affected have suggested shifting from the quota allocation management system to a more absolute approach measuring the emission intensity per unit of product instead. The representatives expressed that this would help avoid restrictions on expanding production and promote more investment into clean technology.

2026 and 2027 will be a pilot period for these new systems and policies and in 2028, the quota management system will be officially implemented. [Vietnamplus]

International Relations, Geopolitics and Security in Asia

Japan to boost security aid program

(dql) Japan plans a sharp expansion of its Official Security Assistance (OSA) program in fiscal 2026, raising funding to about JPY 18.1 billion (USD 116

million) and extending support to from eight to at least twelve partner countries—more than double the previous allocation. The move is framed as a response to China's growing military assertiveness in the East and South China Seas and reflects Tokyo's effort to deepen defense cooperation with states that share its strategic outlook.

Originally limited to surveillance-oriented assets such as patrol vessels when launched in 2023, the program has broadened to include equipment for ceasefire monitoring, underwater operations support, disaster-response machinery, and upcoming infrastructure projects. [Nippon.com] [The Japan Times]

Chinese state media was quick to criticize Japan's move, arguing that Tokyo's decision to sharply expand its OSA program and accelerate the transfer of military equipment to partner states reflects a growing trend toward militarization. Global Times warned that these policies, together with expanding security cooperation and planned equipment transfers to countries such as the Philippines, signal a resurgence of right-leaning security ambitions in Tokyo and could heighten geopolitical tensions across the region. [Global Times]

Mongolia leads adoption of landmark UN resolution on transparency in political financing

(dql) Mongolia, together with Albania, Ghana, and Norway, led the passage of a new UN resolution calling for greater openness in the funding of political parties, candidates, and election campaigns. The measure was adopted on December 19 by consensus at the Conference of States Parties to the UN Convention against Corruption in Doha, with all Convention members backing it and more than 60 states co-sponsoring.

The resolution is notable as the first under the Convention to directly target transparency in political finance, reinforcing the principle that citizens should be able to see who funds political and electoral activity. [Montsame]

Mongolia, United Nations Development Programme to develop digital monitoring of pastureland

(fs) Mongolia's General Authority for Land Administration, Geodesy and Cartography (GALAGC) signed a Memorandum of Understanding with the United Nations Development Programme (UNDP) on December 22 aimed at strengthening digital monitoring and reporting of pastureland conditions.

Under the agreement, the parties will launch initial activities to develop digital tools for monitoring pastureland, improve public and private sector access to open data, and create mechanisms for data analysis and sharing. The cooperation also establishes a framework for broader joint activities in the future.

Some initiatives include the joint compilation and analysis of pastureland data, and the development of an electronic monitoring system. The upgraded application will allow herders, herder associations, and cooperatives to submit data and photographs on pasture conditions. Training and capacity-building activities for GALAGC officials are also planned. [Montsame]

India to head UN-supported certification scheme for conflict-free diamond sourcing

(dql) India has been chosen to chair the UN-mandated Kimberley Process (KP) beginning January 1, 2026, after assuming the vice-chair role in 2025. This will be the country's third term leading the global certification framework designed to prevent rough diamonds from financing armed conflicts and destabilizing governments. The decision was taken at the KP Plenary on December 25.

The Kimberley Process, which covers participants accounting for over 99 percent of global rough diamond flows, has become the primary international mechanism for regulating conflict-free diamond sourcing since 2003. India is a founding participant of the Kimberley Process, established in 2003, with currently 60 participants, with the European Union and its member states counted as a single participant, collectively accounting for over than 99 percent of global rough diamond trade.

India's upcoming leadership is expected to focus on stronger compliance standards, greater transparency, digital certification and traceability tools, and improved consumer assurance regarding ethical supply chains. [The Tribune]

This leadership comes as India — the world's largest exporter of polished diamonds and a dominant center

for cutting and polishing roughly 90 percent of the world's rough stones — seeks to consolidate its position in the global value chain. Recent trade figures show broadly stable export levels over April–November despite a challenging market, with growth increasingly driven by destinations such as the United Arab Emirates, Hong Kong, Australia, Thailand and Israel, reflecting a diversification away from heavy reliance on the United States. [SCMP] [Channel News Asia]

China rejects role in Maldives' debt difficulties, confirms restructuring and new aid as Malé reiterates parallel ties with India

(lm) China is not responsible for the Maldives' current debt difficulties but is willing to assist in addressing them, according to Kong Xianhua, who spoke on December 29 during a televised diplomatic program. He described China–Maldives financial cooperation as sustainable and pointed to revenue-generating infrastructure projects implemented under China's Belt and Road Initiative, including the Sinamalé Bridge, expansion works at Velana International Airport, and large-scale housing developments, as capable of servicing associated loans. He attributed the Maldives' debt pressures primarily to external shocks such as the COVID-19 pandemic, unfinished projects, and investments that have yet to generate sufficient returns.

The ambassador said Chinese and Maldivian stakeholders have completed a debt rearrangement process intended to provide fiscal relief and support financial stability. He also stated that China plans to extend further assistance through fully grant-financed projects and expressed expectations of increased Chinese direct investment in the Maldives. [The Sun 1]

In this context, China and the Maldives signed a development cooperation agreement on December 25, under which Beijing pledged MVR 1.3 billion (USD 84.5 million) in assistance, equivalent to RMB 600 million, to support priority development projects over the coming years. According to the Maldivian Foreign Ministry, the assistance will focus on three areas: development of the China–Maldives Friendship Hospital in Vilimalé (a residential island adjacent to the capital), road development projects in Malé and Vilimalé, and the construction of 50 local council buildings nationwide. [The Sun 2]

In parallel developments, former Vice President Faisal Naseem highlighted the Maldives' parallel relationship with India during remarks in New Delhi on December 24 stating that India has consistently been the first country to assist the Maldives in times of crisis. Speaking at the 8th Atal Bihari Vajpayee Memorial Lecture, he cited India's early support during the COVID-19 pandemic, including vaccine assistance and border reopening, and noted India's broader role in sectors such as healthcare, education, infrastructure, and sports. [The Sun 3]

Pakistan's military engages with counterparts from Jordan, Oman, and Bahrain

(lm) Pakistan held a series of senior-level military and naval engagements with Jordan, Oman, and Bahrain during the past week, spanning army-to-army consultations, navy-to-navy cooperation, and professional military education activities.

On the army-to-army track, Syed Asim Munir, Chief of Army Staff of the Pakistan Army, met Yousef Ahmed A. Al Huneiti, Chairman of the Joint Chiefs of Staff of the Jordan Armed Forces, in Rawalpindi. The discussions covered matters of mutual interest, regional security dynamics, and avenues for enhanced bilateral defense and military cooperation. The meeting followed a sequence of high-level exchanges earlier in the quarter, including reciprocal leadership visits between Pakistan and Jordan. [Arab News 1]

In parallel, navy-to-navy engagements focused on maritime security in the Arabian Sea and adjacent waters. In Islamabad, the Chief of the Naval Staff of the Pakistan Navy met the Commander of the Royal Navy of Oman, where both sides discussed regional maritime security and signed a memorandum of understanding on "white shipping." The agreement establishes procedures for exchanging advance information on the movement and identity of commercial, non-military vessels, aimed at enhancing maritime domain awareness. Pakistan and Oman, which share geographic proximity and maritime boundaries, have maintained long-standing naval cooperation, including regular bilateral exercises. [Arab News 2]

Separately, the Pakistan Navy also held talks with the Royal Bahrain Naval Force focusing on regional maritime security and bilateral naval cooperation. During the same period, the Commander of the Royal Bahrain Naval Force attended the commissioning

parade at the Pakistan Naval Academy in Karachi, marking the induction of new midshipmen and short service commission cadets, including foreign trainees. The Pakistan Naval Academy has long trained officers from partner countries, making such ceremonies a recurring element of Pakistan's defense engagement with regional and Middle Eastern states. [Arab News 3] [Arab News 4]

Pakistan rules out troop role in Gaza disarmament as religious leaders warn against deployment

(lm) Pakistan has stated that it will not deploy its armed forces to Gaza to disarm or de-weaponize Hamas, while indicating conditional openness to participation in an international peacekeeping mission if the mandate excludes enforcement or combat operations. The position was articulated by Deputy Prime Minister and Foreign Minister Ishaq Dar during a media briefing in Islamabad.

Dar said Pakistan distinguishes clearly between peacekeeping and peace enforcement and would not take part in any mission involving the use of force against Palestinian groups, including disarmament operations or the destruction of militant infrastructure. He added that responsibility for internal security in Gaza rests with Palestinian authorities and stated that Pakistan's civilian and military leadership share a common position on the issue. [Arab News 1]

The clarification followed media reports that the United States views Pakistan as a potential contributor to a proposed International Stabilization Force for Gaza. The force concept is linked to a Gaza framework announced in September and subsequently discussed at the international level, including endorsement of a broader stabilization approach by the United Nations Security Council. The framework envisages a transitional international security presence prior to reconstruction and longer-term political arrangements.

Parallel to the government's position, senior Pakistani religious leaders and heads of major religio-political parties publicly cautioned against any Pakistani troop deployment connected to the disarmament of Hamas. Following a representative meeting in Karachi, clerics from the Deobandi, Barelvi, Ahl-e-Hadees, and Shia schools of thought, along with leaders of Jamiat Ulema-e-Islam (Fazl) and Jamaat-e-Islami, urged the government to resist international pressure to contribute forces for disarmament purposes.

In a joint statement, the religious leaders framed such a role as incompatible with their view of Pakistan's religious and political responsibilities and warned of domestic repercussions if Pakistani forces were perceived as participating in military action against Palestinian actors. [Arab News 2]

India and China deepen engagement in Sri Lanka's post-cyclone recovery amid parallel diplomatic initiatives

(lm) India and China have stepped up diplomatic and practical engagement with Sri Lanka following Cyclonic Storm Ditwah, a severe tropical cyclone that struck parts of the island in early December, causing flooding and landslides and resulting in extensive damage. The World Bank has estimated total losses from the cyclone at USD 4.1 billion.

On December 23, Indian External Affairs Minister S. Jaishankar concluded an official visit to Sri Lanka centered on relief and recovery efforts following Cyclone Ditwah, a severe tropical cyclone that struck parts of the island in early December, causing widespread flooding and landslides. During the visit, Jaishankar held talks in Colombo with President Anura Kumara Dissanayake and Prime Minister Harini Amarasuriya on ongoing restoration measures and humanitarian assistance. [Daily Mirror 1]

On the same day, Indian Prime Minister Narendra Modi sent a letter to President Dissanayake reaffirming India's commitment to support Sri Lanka's relief, recovery, and rehabilitation efforts. Modi formally designated Jaishankar as India's special envoy to continue engagement with Sri Lankan authorities on a comprehensive post-cyclone assistance package. [Daily Mirror 2]

Also on December 23, Jaishankar met Opposition Leader Sajith Premadasa, stressing the need for transparency in the use of Indian disaster assistance. Premadasa welcomed the support and said the opposition would cooperate to ensure accountability, noting that India has pledged disaster assistance amounting to USD 450 million. [Daily Mirror 3]

In parallel, China has indicated readiness to support Sri Lanka's recovery but has not yet announced a formal financial assistance package. Senior Chinese officials have stated that China is prepared to provide assistance and share experience under a "Rebuilding Sri Lanka" framework. A high-level delegation from the Communist Party of China, led by a member of its

Central Committee, visited Sri Lanka from December 23 to 25 and was scheduled to meet senior Sri Lankan leaders and assess damage across affected areas. Separately, the CPC's International Department has confirmed a donation of relief supplies valued at RMB 1 million (approximately USD 0.14 million). [Daily Mirror 4] [Daily Mirror 5]

Alongside disaster-related engagement, Sri Lanka's foreign minister has proposed that China support the installation of an islandwide electric vehicle charging network as a donation, in line with plans to expand electric vehicle and electric bus use, and has requested Chinese assistance for the reconstruction of railway lines and bridges damaged by flooding. China's ambassador indicated that these requests and broader reconstruction needs would be conveyed to Beijing for consideration. [Daily Mirror 6]

Against this backdrop, on December 24, Premadasa publicly called for closer cooperation between India and China, arguing that constructive relations between the two Asian powers could strengthen the collective voice of developing countries in the Global South. His remarks were made at a China-related policy event in Colombo and framed in broader geopolitical terms rather than around specific bilateral agreements. [Daily Mirror 7]

Indonesia nominated to lead UN Human Rights Council in 2026

(ms) Asia-Pacific member states have nominated Indonesia to serve as president of the United Nations Human Rights Council in 2026, Indonesia's Foreign Ministry said on December 24.

The nomination is expected to be formally endorsed on January 8, 2026. If confirmed, Indonesia's permanent representative in Geneva, Sidharto Reza Suryodipuro, would chair council sessions and oversee its work during the year.

Indonesia is currently serving a three-year term as an HRC member, which ends in 2026. The nomination follows the council's regional rotation system, under which the Asia-Pacific group selects the president for the 2026 cycle.

The Foreign Ministry said Indonesia was nominated based on its experience in multilateral diplomacy and its role as a non-aligned country. [The Jakarta Post]

Indonesia pushes global rules on digital royalties, seeking broader international backing

(ms) Indonesia has stepped up efforts to establish an international legal framework governing digital music and audiovisual royalties, arguing that existing global rules have failed to ensure fair compensation for creators in the streaming era.

The proposal was formally submitted earlier this month at the 47th meeting of the Standing Committee on Copyright and Related Rights at the World Intellectual Property Organization in Geneva. On December 17, the government launched a dedicated website outlining the initiative and held a closed-door briefing in Jakarta with foreign diplomats to build support.

Officials say the push responds to mounting evidence that creators are being left behind as digital platforms expand. According to data from UNESCO and the World Bank, an estimated USD 55.5 billion in music and audiovisual royalties goes uncollected worldwide each year due to weak transparency, fragmented systems, and cross-border enforcement gaps.

The proposed framework would aim to standardize royalty reporting, improve interoperability between national collection agencies, and strengthen accountability across streaming platforms.

Indonesia has also quietly raised the issue in bilateral discussions with several major markets, including China, whose rapidly growing digital music sector makes it a key stakeholder in any global solution. While no formal joint proposal has been announced. [The Jakarta Post]

U.S. adds Bhutan to visa bond program, raising costs for travelers

(ms) The United States government has added Bhutan to a new visa bond program that will require Bhutanese nationals applying for short-term U.S. visas to post a financial bond of up to USD 15,000, starting January 1, 2026, according to a notice issued by the U.S. Department of State.

Under the program, Bhutanese applicants for B1/B2 business and tourism visas may be required to post a bond ranging from USD 5,000 to USD 15,000, with the amount determined by a consular officer at the time of

the visa interview. The bond must be paid through the U.S. Treasury's Pay.gov platform before a visa can be issued and will be refunded only if the traveler complies fully with visa conditions, including timely departure.

U.S. authorities say the measure is aimed at reducing visa overstays and strengthening immigration compliance. Bhutan is among a group of countries added to the program based on overstay data, alongside several African and Central Asian nations. [Kuensel] [TTW]

Bangladesh, Cambodia expand cooperation across trade, defense, and cultural ties

(dql) Cambodia and Bangladesh have committed to deepening ties across trade, investment, defense, and socio-cultural cooperation. During their first Foreign Office Consultations in Phnom Penh on December 23, senior officials discussed expanding bilateral trade, updating investment frameworks, and enhancing security and defense collaboration within legal frameworks. [Ministry of Foreign Affairs and International Cooperation, Cambodia]

They also emphasized protecting citizens abroad and accelerating agreements in tourism, health, agriculture, fisheries, and connectivity to strengthen people-to-people ties. Regional and international issues, including the Cambodia–Thailand border situation, were also addressed. [Cambodianess]

China provides humanitarian aid to displaced Cambodians

(mi) Wang Wenbin, the Chinese Ambassador to Cambodia, announced on December 28 that China would provide USD 2.8 million worth of humanitarian aid to Cambodia. These supplies will be used to assist those who have been displaced by fighting on the Thailand-Cambodia border. These supplies include tents, blankets, and food. [Cambodianess] [Kiripost]

Cambodia, Japan strengthen strategic partnership

(dql) Cambodia and Japan reaffirmed their strong strategic partnership during the third Senior Officials' Talks in Phnom Penh on December 25, against the backdrop of the Cambodia–Thailand border tensions. [Ministry of Foreign Affairs and International Cooperation, Cambodia]

The meeting focused on expanding economic cooperation through the Economic Co-Creation Package to boost trade and Japanese investment. Japan expressed support for Cambodia's efforts to resolve the border dispute peacefully, emphasizing the safe return of displaced residents and regional stability.

The talks also covered broader regional and international issues, underscoring Japan's continued backing of Cambodia's development and peace initiatives. [Cambodianess]

Cambodia and France to elevate ties to strategic partnership

(dql) Cambodia and France have agreed to elevate their ties to a "Strategic Partnership" by 2026, marking a broad expansion of diplomatic, security, economic, and cultural cooperation, as announced during the Third Bilateral Political Consultations on December 18 in Phnom Penh

The talks also highlighted France's support for Cambodian participation in UN peacekeeping through training and cultural collaboration, including heritage preservation and preparations for the 2026 Francophonie Summit, was reaffirmed.

Economically, France pledged support for Cambodia's transition from Least Developed Country status, focusing on green infrastructure, digital economy, trade facilitation, and customs modernization to attract European investment. The two sides agreed to finalize a joint roadmap and plan high-level visits in 2026 to formalize the Strategic Partnership. [Cambodianess]

China stages largest-ever war games around Taiwan, simulating full blockade

(ay/ms) China launched its most extensive military exercises to date around Taiwan on December 29–30, staging live-fire drills across multiple zones designed to encircle the island and rehearse a full-scale blockade.

Dubbed “Justice Mission 2025,” the drills mark Beijing’s sixth major round of exercises around Taiwan since 2022 and represent the closest, widest-ranging operations yet.

According to People’s Liberation Army, the drills involved more than 130 military aircraft, over 20 navy and coast guard vessels, bomber formations, missile and rocket artillery units, and new amphibious assault ships, including the first operational deployment of a Type 075 landing helicopter dock. Live firing took place for up to 10 hours across at least five zones, some overlapping Taiwan’s territorial waters.

PLA units explicitly rehearsed the isolation of Taiwan’s key ports, including Keelung in the north and Kaohsiung in the south, while conducting anti-submarine warfare, sea-based assaults, air defense and simulated strikes on maritime and land targets. Taiwanese security officials said China appeared to be practicing attacks on U.S.-supplied systems such as HIMARS rocket launchers and were closely monitoring whether missiles would be fired over the island, as occurred in 2022.

Taiwan condemned the exercises as destabilizing and placed its forces on high alert. President Lai Ching-te said the drills were inconsistent with the behavior of a “responsible major power,” while stressing that Taipei would avoid escalation. Debris from live firing entered Taiwan’s contiguous zone, and coast guard vessels engaged in close standoffs with Chinese counterparts.

The drills were triggered by a record USD 11.1 billion U.S. arms package for Taiwan and by remarks from Japanese Prime Minister Sanae Takaichi suggesting Japan could respond militarily in a Taiwan contingency. Analysts say the scale and realism of the exercises further blur the line between training and operational preparation, reinforcing concerns about China’s stated goal of achieving military readiness for a Taiwan conflict by 2027. [Reuters 1] [Reuters 2] [Associated Press]

Newly released Pentagon report highlights US threat perceptions and strategic priorities on China’s military rise

(ms) The United States Department of Defense has released its 2025 *Annual Report to Congress on Military and Security Developments Involving the People’s Republic of China*, offering a comprehensive assessment of how Washington views China’s evolving military capabilities,

strategic intentions, and global posture. [full Pentagon report]

Although published at the end of 2025, the report primarily surveys developments observed from 2024 through mid-2025, drawing on military activities, exercises, procurement trends, and policy signals that in many cases date back months or longer. As such, the document functions less as a record of recent events than as a structured articulation of US threat perceptions, planning assumptions, and priority areas of concern regarding China's longer-term military trajectory.

The report characterizes China as pursuing a sustained, multi-layered expansion of military power in support of broader national objectives. Rather than predicting imminent conflict, it emphasizes Beijing's effort to systematically reduce strategic constraints and expand its range of options across peacetime competition, crisis management, and potential wartime scenarios. From the US perspective, China continues to benchmark its military development primarily against the United States, shaping its force structure with the explicit aim of countering longstanding US advantages across multiple domains.

A central organizing concept in the report is 2027, which US defense planners identify as a key milestone in China's military modernization. By that year, the People's Liberation Army (PLA) is assessed to be seeking the capability to conduct complex, high-intensity joint operations, particularly in relation to Taiwan, while deterring or managing possible US intervention. The Pentagon stresses that 2027 should not be interpreted as a predicted date for conflict, but rather as a capability threshold guiding Chinese planning, training, and investment decisions. At the same time, US officials acknowledge that this milestone increasingly shapes American defense planning and allied coordination, amplifying its political and strategic significance beyond Beijing's internal timelines.

In detailing China's military development, the report highlights progress across all major service branches. Naval modernization features prominently, including the expansion of aircraft carrier operations, improvements in air-defense and anti-submarine warfare capabilities, and a higher operational tempo in regional waters. In the air domain, the report notes advances in combat aircraft, airborne early-warning platforms, and long-range strike systems. China's missile forces are assessed to have significantly enhanced their ability to threaten regional bases, naval forces, and logistical nodes across the Indo-Pacific.

Taiwan remains a focal point of the assessment, though the report places increasing emphasis on options short of full-scale invasion. US analysts highlight China's growing ability to employ coercive measures such as blockades, precision strikes, and sustained air and naval pressure designed to test Taiwan's resilience while complicating US and allied decision-making. These capabilities are viewed as expanding Beijing's menu of escalation-controlled options rather than signaling a fixed pathway toward war.

Beyond conventional forces, the report places particular emphasis on cross-domain capabilities that US officials consider especially consequential. Cyber operations receive sustained attention, with the Pentagon assessing that Chinese actors have developed the ability to access and potentially disrupt critical infrastructure. These activities are framed not merely as intelligence collection, but as tools intended to shape the strategic environment before and during a crisis, potentially constraining US responses before conventional forces are employed. Space and counterspace capabilities are similarly highlighted, reflecting concerns that China could seek to degrade or deny satellite-based communications, navigation, and surveillance systems that underpin modern military operations.

China's ongoing nuclear modernization is addressed in greater detail than in previous editions. The report notes continued expansion and diversification of China's nuclear forces, which US analysts interpret as strengthening Beijing's ability to deter escalation and manage strategic risk. At the same time, the Pentagon points to uneven pacing and uncertainty in China's nuclear buildup, suggesting that the core concern lies less in raw warhead numbers than in how a more flexible and survivable arsenal could alter crisis dynamics by increasing Chinese confidence in its deterrent.

The report also situates China's military development within a broader global context. It documents Beijing's expanding security engagement beyond East Asia, including military cooperation, training programs, arms sales, and peacekeeping operations across Africa, the Middle East, Latin America, and the Pacific Islands. From the US perspective, these activities are less about imminent global power projection than about normalizing the overseas presence of the PLA, securing habitual access to infrastructure and logistics, and reducing political barriers to future deployments. China's security relationship with Russia is described as particularly significant, though the report notes that

Beijing continues to avoid formal alliance commitments.

Another recurring theme is the integration of civilian and military structures, which the report presents as a defining feature of China's approach to national defense. Civilian infrastructure such as ports, transportation networks, and telecommunications systems is increasingly assessed as supporting military mobility and logistics. Commercial technology firms and state-linked enterprises play an important role in advancing capabilities in areas such as artificial intelligence, cyber operations, and space systems. US analysts interpret this approach as reflecting a Chinese assessment that future conflict would hinge not only on battlefield performance, but also on economic resilience, information control, and the ability to sustain operations under prolonged pressure.

China has rejected the Pentagon's assessment, maintaining that its defense policy remains defensive in nature and proportionate to its security needs. Chinese officials argue that US alliances, forward deployments, and arms sales—particularly in relation to Taiwan—are the primary drivers of regional instability. While the report acknowledges these positions, it situates them within a broader contest over narrative and legitimacy, concluding that the scale, direction, and integration of China's military capabilities nonetheless represent a growing strategic challenge from the US perspective. [Global Times]

China sanctions US defense firms over Taiwan arms sales

(ms) China has imposed sanctions on 20 US defense companies and 10 senior executives in response to Washington's latest arms sales package to Taiwan, escalating tensions over an issue Beijing describes as the most sensitive in relations with the United States.

China's Foreign Ministry said the measures target companies and individuals involved in supplying weapons to Taiwan, accusing them of undermining China's sovereignty and territorial integrity. The sanctions include freezing any assets held in China and prohibiting Chinese organizations and individuals from engaging in business with those named. Individuals sanctioned are also barred from entering the country.

Among the companies affected are Boeing's defense-focused St. Louis branch, Northrop Grumman Systems Corporation, and L3Harris Maritime Services. Executives targeted include the founder of defense

firm Anduril Industries, Palmer Luckey, and senior managers from other sanctioned companies. Chinese officials warned that any firm or individual involved in arms sales to Taiwan would "pay the price."

The move follows Washington's announcement, mid-December, of an arms package for Taiwan valued at more than USD 11 billion, the largest to date. The package includes medium-range missiles, artillery systems, and drones, according to US officials. Under US law, Washington is required to provide Taiwan with the means to defend itself, a policy successive US administrations say contributes to stability across the Taiwan Strait. [see AiR No. 51, December/2025, 4]

The US State Department said Washington "strongly objects" to China's sanctions, describing them as retaliatory and urging Beijing to stop military, diplomatic, and economic pressure on Taiwan and instead pursue dialogue. The spokesperson emphasized that US policy on Taiwan arms sales has remained consistent across administrations.

Analysts note that the sanctions are likely to be largely symbolic, as most US defense firms have little direct business exposure in China. However, the inclusion of Boeing is notable given China's importance as a market for civilian aircraft, where major sales have been stalled amid broader US-China tensions. [Defense News] [Reuters] [South China Morning Post]

US approves Samsung, SK Hynix chip tool shipments to China for 2026

(ms) The US has granted annual licenses enabling Samsung Electronics and SK Hynix to ship semiconductor manufacturing equipment to their facilities in China next year, according to people familiar with the matter, in a move that underscores shifting US technology export policy.

Under the new system, shipments of US-origin chipmaking tools to the two South Korean firms' Chinese factories will require annual government approval, replacing broad waivers that are expiring at the end of 2025. The licenses offer temporary relief for Samsung and SK Hynix, which rely heavily on their Chinese operations and had benefited from earlier exemptions to Washington's sweeping China export restrictions.

The decision comes amid broader debate in Washington over how to balance national security and

economic interests as American policymakers recalibrate controls on advanced technologies.

Earlier in December, President Donald Trump announced that the United States would allow Nvidia to export its advanced H200 artificial intelligence chips to “approved customers” in China in exchange for a 25 per cent revenue share to the US government. Trump said the policy would also apply to other US chipmakers such as Intel and Advanced Micro Devices under similar terms, after weeks of internal deliberations over how to limit China’s access to cutting-edge AI hardware.

The H200 exports represent a significant shift from earlier administration policies that barred the sale of high-end AI chips to China on national security grounds. Trump said he had informed Chinese President Xi Jinping of the decision and that Beijing was receptive.

US officials have sought to balance concerns that advanced AI chips could enhance Chinese computing capabilities with the desire to maintain US competitiveness and prevent allied firms from being shut out of critical markets. It remains unclear how many chips will be sold or whether Chinese regulators will approve purchases. [DigiTimes] [Reuters]

US delays chip tariffs against China, amidst accusations of unfair and discriminatory practices

(ms) The United States has accused China of engaging in unfair and discriminatory practices in the semiconductor sector but will delay imposing higher tariffs on Chinese chip imports until mid-2027, to possible preserving a fragile trade truce with Beijing while keeping pressure in reserve.

The Office of the United States Trade Representative released the findings of a nearly year-long investigation into China’s semiconductor industry. The probe concluded that Beijing’s industrial policies target “every major segment” of the chip supply chain, including design, fabrication, assembly, testing, and packaging, and pose a direct threat to US commerce.

Despite the findings, the US will initially set tariffs at zero percent, with duties scheduled to rise after an 18-month delay on June 23, 2027. The level of the tariffs will be announced 30 days before they take effect. Analysts say the timeline reflects a strategic calculation

rather than restraint, allowing Washington to maintain leverage without triggering immediate escalation.

The decision follows a trade truce reached earlier this year between US President Donald Trump and Chinese President Xi Jinping, aimed at stabilizing economic relations after years of tariff-driven confrontation that rattled global markets. The semiconductor sector has emerged as one of the most sensitive fronts in that broader rivalry, sitting at the intersection of trade, technology, and national security.

China has rejected the US findings and vowed to retaliate against what it described as “unreasonable” semiconductor tariffs. Beijing argues that US measures amount to economic coercion and undermine global supply chains, even as it accelerates efforts to reduce dependence on foreign chip technology. [Bloomberg] [South China Morning Post 1] [South China Morning Post 2]

Russia states ties with China at historic high despite western sanctions

(ms) Russia’s ambassador to China said relations between Beijing and Moscow have reached their strongest level in history, arguing that Western sanctions have failed to weaken the partnership and have instead deepened strategic trust and cooperation.

Speaking at a forum at Renmin University of China, Russian Ambassador Igor Morgulov described China-Russia relations as having entered a phase of unprecedented depth, shaped by what he called a shared response to external pressure. He said attempts by Western countries to constrain technological development and distort competition had pushed the two countries toward closer coordination.

Morgulov said China and Russia had expanded cooperation under what he described as an “extremely complex” international environment. According to the ambassador, the two sides have established efficient communication channels, worked to stabilize global production and logistics chains, and built reliable mechanisms for bilateral trade settlements. He added that nearly all trade between the two countries is now conducted in local currencies, reducing reliance on the US dollar.

The remarks come as China continues to face Western criticism for refusing to condemn Russia’s invasion of

Ukraine and for allegedly supplying drone components and other dual-use technologies to Moscow. Beijing has repeatedly denied the accusations, though several Chinese entities have been targeted by sanctions.

Morgulov said China-Russia relations would continue to develop in a “steady and dynamic” manner and called the partnership a stabilizing factor in global politics. He added that Moscow respects China’s core interests, including its position on Taiwan, as the two countries prepare to mark major anniversaries in their bilateral relationship in 2026. [Global Times] [South China Morning Post]

India streamlines import-quality rules to ease U.S. trade concerns

(dql) India has announced reforms to simplify its import-quality certification system, cutting paperwork and inspection requirements in an effort to address U.S. complaints that the country’s standards regime is overly restrictive.

According to the Commerce Ministry, the new measures aim to speed up approvals, introduce more technology-based verification processes, and make compliance more transparent and predictable for businesses. Officials say the overhaul is intended to improve efficiency without weakening product-quality safeguards.

The move comes as New Delhi continues trade negotiations with Washington, where India is seeking relief from a 50 percent tariff imposed during the Trump administration on some major export items, a dispute tied to India’s purchases of Russian oil. [Firstpost]

Indonesia and US set to sign trade deal as President Prabowo and Trump plan January meeting

(ms) Indonesia and the United States are preparing to sign a long-negotiated trade agreement in late January, after both governments said on December 23 that all substantive issues in the talks had been resolved, a development that could reshape trade flows for Southeast Asia’s largest economy and strengthen strategic ties with Washington.

Coordinating Minister for Economic Affairs Airlangga Hartarto said on December 23 that negotiations with US Trade Representative Jamieson Greer had concluded successfully following meetings in Washington on December 22. Indonesian officials said the agreement is expected to be signed by President Prabowo Subianto and US President Donald Trump during a planned meeting in the United States at the end of January.

Under the agreement, the United States has agreed to grant tariff exemptions on several key Indonesian exports, including palm oil, cocoa, coffee and tea. In return, Indonesia will expand market access for US companies, including in the critical minerals sector, which Jakarta has identified as strategically important for industrial development. Indonesian officials stressed that the agreement does not limit the country's ability to pursue trade or investment partnerships with other nations.

The United States is one of Indonesia's largest trading partners and its biggest source of non-oil and gas trade surplus, which reached about USD 17 billion in 2024. Indonesia's main exports to the US include electronics, textiles, footwear, fishery products and palm oil. From January through October 2025, bilateral trade totaled approximately USD 36.2 billion, with Indonesia recording a surplus of around USD 14.9 billion.

The deal builds on a preliminary framework announced in July 2025, when Washington reduced a threatened tariff on Indonesian goods from 32 percent to 19 percent in exchange for Jakarta's commitments to remove tariff and non-tariff barriers on US products and increase purchases of American goods, including aircraft and agricultural commodities. [Bloomberg] [Reuters]

Indonesian Navy receives second Italian-built frigate as maritime modernization accelerates

The Indonesian Navy has formally taken delivery of its second Italian-built multipurpose combat ship, marking a key milestone in Jakarta's long-term effort to modernize its maritime forces and strengthen deterrence across the Indo-Pacific.

The vessel, KRI Prabu Siliwangi-321, was handed over on December 22 at the Muggiano shipyard of Fincantieri in Italy. It is the second ship in the Brawijaya-class Multipurpose Combat Ship (MPCS)

program, following the delivery of its sister vessel earlier in 2025.

Indonesian Navy chief of staff Muhammad Ali said the acquisition reflects a sustained commitment to safeguarding the country's vast maritime domain. He described the program as part of a broader strategy to ensure credible regional deterrence and improve the Navy's ability to respond to increasingly complex security challenges, from territorial defense to maritime patrol and humanitarian missions.

Built to perform a wide range of roles, the 143-metre-long MPCS is designed for frontline combat, patrol, search-and-rescue and civil protection tasks. It can exceed 31 knots and operate advanced weapons and sensor systems, making it among the most technologically capable surface combatants in the Indonesian fleet.

The delivery completes Indonesia's order of two MPCS vessels from Fincantieri, which will form the Navy's largest and most advanced combat units. Officials say the ships will be deployed primarily to reinforce security in central and eastern Indonesian waters, areas seen as increasingly strategic amid regional power shifts and intensifying competition in the Indo-Pacific. [Indonesia Business Post] [Naval News] [The Jakarta Post]

Indonesia, UAE explore expanded renewable energy investment

(ms) Indonesia is seeking to accelerate renewable energy investment as part of its push toward energy sovereignty, following talks in Abu Dhabi with UAE-based clean energy company Masdar on December 27, Indonesian officials said.

Deputy Speaker of the People's Consultative Assembly (MPR) met Masdar executives at the company's headquarters to discuss opportunities to expand its renewable energy portfolio in Southeast Asia's largest economy. The meeting was attended by Indonesia's ambassador to the United Arab Emirates, Judha Nugraha, and Masdar's Chief Operating Officer Abdulaziz Alobaidli.

The MPR said Indonesia, under President Prabowo Subianto, aims to speed up its energy transition while maintaining energy security. He added that parliament was prepared to support investors through legislation and policy coordination to ensure renewable energy projects could proceed more efficiently.

Masdar reaffirmed its commitment to Indonesia, building on its role in the Cirata floating solar power plant in West Java, one of the largest solar projects in Southeast Asia. Alobaidli said the company was encouraged by Indonesia's target to raise renewable energy capacity to 10 gigawatts and expressed hope that the regulatory environment would continue to become more supportive of foreign investment. [Antara]

China moves to curb Japan tourism as pressure tactic amid Taiwan tensions

(ay) Chinese authorities have instructed domestic travel agencies to limit Japan-bound tourism to below 60 percent of previous levels, according to information obtained by *NHK*, marking a further escalation in political pressure on Tokyo, following Prime Minister Sanae Takaichi's parliamentary remarks on November 7 in which she suggested an attack on Taiwan could constitute a "survival-threatening situation" for Japan, possibly involving its defense forces.

The directive, circulated to multiple agencies earlier this month, follows Beijing's earlier advisory urging citizens to refrain from traveling to Japan after Prime Minister Sanae Takaichi's Diet remarks on a potential Taiwan contingency.

The tourism restrictions are widely interpreted as a calibrated economic signal rather than a blanket ban. Major Chinese airlines have announced they will waive cancellation fees for flights to and from Japan through March, reflecting official backing for reduced travel demand. Chinese media reported that more than two thousand flights scheduled for January have already been canceled, accounting for roughly 40 percent of total planned services on Japan routes. [NHK World]

The measures have translated into a sharp contraction in travel flows: Chinese media report that more than 1,900 flights to Japan in December — over 40 percent of scheduled services — were cancelled, with a similar scale of reductions planned for January involving some 2,195 flights.

Tourism demand has weakened accordingly. Japan's data show that arrivals from China in November edged up only about 3 percent from a year earlier, a steep slowdown from October's 22.8 percent increase, reflecting the dampening effect of Beijing's alert. Japan has also dropped out of the top-ten overseas destinations for Chinese travelers during the upcoming

winter holidays, reversing its status as a favored market in recent years. [Nikkei Asia]

China denounces Japan's record defense budget as a drift toward remilitarization

(ay) China sharply criticized Japan's newly approved record defense budget for fiscal 2026 (see article in this edition), accusing Tokyo of accelerating remilitarization and undermining regional stability. The foreign Ministry said the plan, which exceeds JPY 9 trillion (USD 58 billion), reflects "sinister intentions" by right-wing forces in Japan and ignores regional and international concerns.

Beijing linked the budget increase to a broader pattern of policy shifts under Prime Minister Sanae Takaichi, citing remarks on a Taiwan contingency, reported comments by senior officials advocating nuclear weapons possession, and discussions on revising Japan's three non-nuclear principles.

The foreign ministry argued these moves collectively signal a departure from Japan's postwar "exclusively defense-oriented" posture, pointing to developments such as expanded collective self-defense, pursuit of counterstrike capabilities, and the militarization of remote islands. The ministry highlighted that protests and academic criticism inside Japan show that militarization does not equate to greater security, framing the Japanese public as victims of historical militarism as well as contemporary policy choices.

Chinese officials also warned of domestic consequences within Japan, claiming higher defense spending would strain the economy and ultimately burden the public. [CGTN]

Japan to earmark record funds in fiscal 2026 to back U.S. investment

(ay) Japan plans to set aside JPY 7.18 trillion (USD 45.9 billion) in fiscal 2026 for low-interest loans and government guarantees to support overseas investment, with a significant portion aimed at the United States and nuclear power–related projects. The allocation, outlined in the Finance Ministry's investment and lending plan released on December 26 (see article in this edition), is designed in part to underpin Japan's pledge earlier this year to support up to USD 550 billion in investment in the U.S.

The funding will be channeled primarily through the Japan Bank for International Cooperation (JPIC) and Nippon Export and Investment Insurance. Of the total, JPY 3.61 trillion (USD 23.1 billion) will be provided as low-interest loans, while JPY 3.53 trillion (USD 22.6 billion) will take the form of government guarantees. When combined with measures from the current fiscal year, support extended via JBIC is expected to reach about JPY 21 trillion (approximately USD 134 billion).

Overall, the Finance Ministry's investment and lending program will expand by 56.1 percent year on year to JPY 19 trillion (approximately USD 122 billion), the largest on record. Industrial investment alone will reach JPY 500.3 billion (approximately USD 3.2 billion). [Nikkei Asia]

Air mobility cooperation with United States deepens amid Indo-Pacific focus

In addition, Japan and the United States have advanced bilateral defense coordination during a senior-level visit to Illinois, led by Lieutenant General Chuji Ando, head of the Japan Air Self-Defense Force's Air Support Command, who met with U.S. Transportation Command leadership at Scott Air Force Base for two days of talks centered on integrated mobility and sustainment across the Indo-Pacific, including logistics, airlift, and aerial refueling to alliance operations in contested environments.

The discussions built on earlier engagements in Tokyo and at Yokota Air Base and focused on how both sides can improve interoperability in large-scale logistics. U.S. officials emphasized that global mobility is a decisive enabler of credible deterrence, particularly as operational demands rise. Japanese counterparts highlighted interest in learning from U.S. practices, including the Civil Reserve Air Fleet model, which integrates commercial aviation into military surge capacity, even as Tokyo maintains it has no immediate plans to establish an equivalent system.

Japanese officials framed the visit as part of a broader effort to ensure rapid and efficient movement of forces and materiel in crisis scenarios. U.S. commanders described the exchanges as having long-term implications for joint force projection and sustainment, reinforcing alliance readiness.

The engagement also included meetings with Air Mobility Command leadership, reflecting a push to align planning and execution across operational levels. [DVIDS/U.S. Transportation Command]

Afghan embassy in Tokyo to suspend operations in de facto closure

(ay) The Embassy of Afghanistan in Tokyo will suspend all operations after January 31, effectively closing the mission, according to a statement released following consultations initiated by Japan's Foreign Ministry. The embassy said political, economic, cultural, and consular services would be halted "until further notice," without specifying the reasons behind the decision.

The mission has continued to operate as a representative office of Afghanistan's former administration that was in power before the Taliban takeover four years ago. Afghanistan's current authorities said the interim government was not involved in the decision, underscoring the ambiguous diplomatic status of Afghan representation in Japan.

Tokyo has not formally recognized the Taliban-led government. While Russia became the first country to formally recognize the Taliban interim government earlier this year and China accepted an ambassador appointed by Kabul in 2023, Japan has maintained a more reserved approach, prioritizing coordination with partners and limiting formal engagement. [NHK] [Reuters]

Japan, Iran hold political consultations on regional and nuclear issues

(dql) Japan and Iran held their 16th round of director-general–level consultations in Tehran on December 24, using the talks to review bilateral relations and exchange views on regional and international developments. [Ministry of Foreign Affairs, Japan]

During the meeting, Japan emphasized the need for renewed dialogue between Iran and the United States on the nuclear issue and called on Tehran to restore full cooperation with the International Atomic Energy Agency (IAEA), presenting these steps as essential for regional stability. Tokyo also reaffirmed its intention to continue diplomatic engagement in the Middle East.

Iranian officials set out their positions in response, while the Japanese representative also held talks with senior figures in Iran's foreign and security leadership, reflecting Japan's effort to keep communication channels open with Tehran amid ongoing nuclear and geopolitical tensions.

Laos–China power interconnection reaches 80 percent completion

(ms) The Lao section of the Laos–China 500-kilovolt (kV) power interconnection project has reached 80 percent completion, marking a key milestone in one of the country's most significant cross-border energy infrastructure developments.

A technical officer from state-energy provider Electricité du Laos Transmission Company Limited (EDL-T) confirmed the progress on December 19 during a site visit at the Namor 3 Power Station in Namor district, Oudomxay Province. EDL-T is responsible for the Lao segment of the project, while the Chinese side is being handled by China Southern Power Grid, which is constructing a 145-kilometer transmission line from Xishuangbanna in China's Yunnan Province to the Lao border.

The interconnection is designed to support major renewable energy projects in northern Laos, including a 1,000-megawatt solar power facility in Oudomxay that began operations on December 13. Once fully operational, the transmission line will allow electricity generated in Laos to be exported to Yunnan, with Phase I of the solar project expected to produce about 1.7 billion kilowatt-hours annually.

Construction of the Lao section began in late February 2025 and is scheduled for completion by April 2026. The project includes a new 500kV substation in Namor district and a total cross-border transmission line length of 183.5 kilometers. [The Laotian Times]

China sends senior communist party delegation to Laos to deepen cooperation

A high-level delegation from the Communist Party of China is visiting Laos from December 23 to December 26 to reinforce party-to-party ties and advance broader bilateral cooperation.

The delegation is led by Xie Chuntao, a member of the CPC Central Committee and vice president of the Central Party School, also known as the National Academy of Governance. The visit focuses on strengthening the Laos–China comprehensive strategic cooperative partnership under the so-called "Four Goods" framework, which emphasizes close political alignment and mutual support.

On December 24, the delegation was received by Thongloun Sisoulith, who also serves as general secretary of the Lao People's Revolutionary Party. Thongloun highlighted the importance of implementing the master plan for building a Laos–China community with a shared future.

Talks covered exchanges on party governance, state administration, cadre training, and people-to-people links. Xie also briefed Lao leaders on outcomes of the CPC's recent plenary session and conveyed support for the LPRP's 12th National Congress scheduled for early 2026. [Lao News Agency]

Laos and Vietnam set 2026 agenda for border security and trade cooperation

(ms) Laos and Vietnam have agreed on key priorities for border protection and cross-border trade in 2026, following their 34th annual border delegation meeting held in Vientiane from December 25 to December 27.

The meeting was led by Lao Minister of Public Security General Somphanh Phengkhammy and his Vietnamese counterpart Nguyen Van Son, head of Vietnam's Border Defense Department. Officials reviewed existing cooperation and outlined measures to strengthen border management, security, and economic activity along the shared frontier.

Both sides agreed to focus on protecting the border line and national markers, managing construction activities near border and checkpoint areas, and maintaining security and social order in border communities. They also emphasized facilitating cross-border movement and trade, alongside public outreach to raise awareness of border-related laws and regulations.

Preparations will begin for joint inspections of border markers under the 2016 Protocol and Agreement, with plans to update the framework to reflect current conditions. The two countries also agreed to continue regular joint patrols and coordination on border gate development. [Lao News Agency] [The Laotian Times]

Fifth Lao–Thai friendship bridge opens to public, boosting cross-border connectivity

The Fifth Lao–Thai Friendship Bridge officially opened on December 25, with public use beginning December 27, strengthening transport links between

Bolikhamxay Province in Laos and Bueng Kan Province in Thailand. The 1,350-meter bridge connects Laos' Route 13 with Thailand's Highway 244, integrating the two countries' road networks. Its opening coincides with the 75th anniversary of Lao–Thai diplomatic relations. Officials say the bridge will cut travel time by up to three hours, improve the flow of goods and people, and support trade, tourism, and regional integration along key Mekong transport corridors. [The Laotian Times]

Malaysia condemns Israel's recognition of Somaliland, links move to Palestinian displacement plans

(dql) Malaysian Prime Minister Anwar Ibrahim condemned Israel's recent recognition of Somaliland, linking it to Israel's alleged plans to forcibly relocate Palestinians from Gaza to the region. He described such actions as violations of international law and humanitarian norms, warning that any return to large-scale violence would devastate civilians and undermine peace efforts.

Israel's recognition of Somaliland—the first by any country—has sparked global criticism, with Somalia reaffirming its sovereignty and territorial integrity. Somaliland, though self-governing since 1991, remains internationally unrecognized, highlighting tensions between de facto autonomy and global diplomatic norms. [Anadolu Ajansı] [BBC]

Mongolia, Kuwait discuss expanding defense cooperation

(fs) Ambassador of Mongolia to Kuwait Sergelen Purev met with Kuwait's Defence Minister Sheikh Abdullah Ali Abdullah Al Salem Al Sabah on December 25 to discuss bilateral relations and cooperation.

Purev expressed Mongolia's interest in concluding a memorandum of understanding between the two countries' ministries of defence. He also reiterated Mongolia's invitation for Kuwait to participate in the annual multinational Khaan Quest peace-support exercise and expressed readiness to expand cooperation in military training, capacity building, experience sharing, and a joint Arabic-language program. [Montsame]

Khaan Quest is an annual, multinational military exercise led by Mongolia's Armed Forces, co-hosted with the U.S. Indo-Pacific Command, held in Mongolia for a week in the summer.

North Korea and Russia expand tourism ties as broader alliance deepens

(co) North Korea and Russia are jointly developing new tourism programs and infrastructure, with officials citing expanding transport links — including new rail and air routes between Pyongyang and Moscow — and a sharp rise in Russian visitors drawn to sites such as the Masikryong ski resort and the Wonsan Kalma coastal zone.

Russian tourist numbers have more than doubled compared with pre-pandemic levels, reaching about 4,000 last year and an estimated 7,000 this year, with further growth expected in 2026. [Yonhap News Agency]

The tourism push comes as North Korean leader Kim Jong-un and Russian President Vladimir Putin exchanged New Year messages praising a deepening alliance, underpinned by a 2024 strategic partnership treaty and expanded military cooperation. [Yonhap News Agency]

Bangladesh expands trade engagement with Pakistan, including new rice imports

(lm) Pakistan and Bangladesh have held discussions in Dhaka on expanding cooperation in trade, investment, aviation, and people-to-people exchanges. The meeting took place amid a broader resumption of bilateral engagement, including the restart of sea trade and efforts to expand government-to-government commerce.

Pakistan and Bangladesh were part of the same state until 1971, when Bangladesh—then East Pakistan—became independent following a war. Diplomatic relations remained limited for decades thereafter. Bilateral contacts have increased since political change in Bangladesh in August 2024, when an interim government took office following mass protests that culminated in the ouster of longtime Prime Minister Sheikh Hasina.

In parallel with these diplomatic exchanges, Bangladesh has approved the import of an additional

50,000 metric tons of white rice from Pakistan under a government-to-government agreement. This follows an earlier shipment of the same volume imported earlier in 2025 and represents the first sustained bilateral rice imports between the two countries since 1971. Separately, Bangladeshi authorities also approved the import of a further 50,000 metric tons of parboiled rice through an international tender process.

The rice imports are taking place amid rising domestic prices in Bangladesh. According to officials cited by Reuters, rice prices have increased by between 15 percent and 20 percent over the past year. Medium-quality rice has been selling at around BDT 80 per kilogram (USD 0.66), despite increased imports and the removal of import duties aimed at easing supply constraints.

On the broader trade relationship, official data show that in the 2023–2024 period Pakistan exported goods worth USD 661 million to Bangladesh, while imports from Bangladesh amounted to USD 57 million. Officials stated that bilateral trade has grown by 20 percent compared to the previous year and reiterated an objective of raising total trade volume to USD 1 billion in the current financial year. Discussions also covered plans to launch direct Dhaka–Karachi flights, expected to begin in early 2026. [Arab News 1] [Arab News 2]

China and Pakistan launch joint initiatives to expand vocational education cooperation

(lm) Pakistan and China have launched a series of joint programs and signed cooperation documents aimed at strengthening vocational education and better aligning skills training with industry needs. The initiatives were announced at a bilateral seminar on the integration of industry and education in vocational training held in Beijing.

A total of 21 cooperation items were signed and five cooperation platforms were launched, covering professional standards, shared teaching resources, faculty and curriculum development, and enterprise-linked training bases.

A separate set of agreements provides for the establishment of joint workshops and vocational colleges linked to specific sectors, including a culinary training workshop and an automotive and new energy vehicle technology workshop involving Chinese vocational universities and a Pakistan-based automotive company. [Arab News]

Italy allocates labor quota for Pakistani workers under seasonal and non-seasonal schemes

(lm) Pakistan has secured an employment quota of 10,500 jobs in Italy over the next three years, opening a new legal pathway for Pakistani workers to access the European labor market. Under the arrangement, Italy will admit 3,500 Pakistani workers annually through a combination of seasonal and non-seasonal labor programs. Italy is the first European country to formally allocate a dedicated labor quota to Pakistan.

Pakistani authorities linked the agreement to broader objectives of expanding overseas employment opportunities and sustaining remittance inflows, which remain a key source of foreign exchange for the country. A second meeting of the Pakistan–Italy Joint Working Group on labor cooperation is scheduled to take place in Islamabad in February 2026 to discuss implementation arrangements and potential future cooperation. [Arab News]

Pakistan summons UK envoy over alleged incitement to violence against military leadership

(lm) Pakistan summoned the acting high commissioner of the United Kingdom after authorities raised concerns about a social media video recorded in the UK that they say explicitly refers to violence against Pakistan's army chief. The government formally asked British authorities to examine the material and take action if it breaches UK law.

According to Pakistani officials, the video shows a protester linked to Pakistan Tehreek-e-Insaf, the party of former prime minister Imran Khan, making references to a specific act of violence rather than general political rhetoric. The footage was reportedly recorded outside Pakistan's consulate in Bradford, although the authenticity of the video and the identity of the individual involved have not been independently verified.

Pakistan's position is that the content constitutes incitement to violence rather than protected political expression and that states are responsible for preventing such activity by individuals operating from their territory. British authorities responded that any alleged breach of UK law must be assessed by police

and prosecutors, who operate independently of the government, and that relevant material should be submitted through established law enforcement channels. [Arab News]

UAE president concludes first official visit to Pakistan

(lm) Pakistan and the United Arab Emirates (UAE) have advanced discussions on deepening economic cooperation during the first official visit to Pakistan by UAE President Sheikh Mohamed bin Zayed Al Nahyan since he assumed office in 2022. The visit began on December 26 and included talks in Islamabad focused on expanding cooperation in trade, investment, energy, infrastructure development, technology, and people-to-people exchanges, alongside exchanges on regional and international issues.

A central issue discussed during the visit was Pakistan's proposal to convert part of the UAE's existing financial support into long-term investment. Pakistan's deputy prime minister stated that Islamabad is seeking to convert USD 1 billion of UAE deposits held at the central bank into equity stakes in Pakistani companies, potentially including firms linked to the Fauji Foundation Group, a large Pakistani conglomerate owned by military welfare foundations and active in sectors such as fertilizers, energy, cement, and food. If agreed, the transaction would end Pakistan's repayment obligation for that portion of the funds and is intended to be completed by March 31. Pakistani officials also raised the rollover of a separate USD 2 billion tranche due in January 2026, conveying a preference for investment over repeated short-term deposit extensions. [Arab News 1]

The UAE has provided a total of USD 3 billion in deposits in recent years to support Pakistan's foreign exchange reserves and external financing needs, including engagement with the International Monetary Fund. Pakistan has similarly relied on deposits from Saudi Arabia and China to manage balance-of-payments pressures, while stating an intention to shift toward longer-term capital inflows.

Pakistan regards the UAE as a key regional and economic partner. The UAE is Pakistan's third-largest trading partner after China and the United States and a major source of foreign investment. According to Emirati authorities, cumulative UAE investment in Pakistan has exceeded USD 10 billion over the past two decades. Pakistani officials also view the UAE as an important export destination due to geographic

proximity and lower transportation costs. [Arab News 2] [Arab News 3]

Pakistan and Egypt discuss Yemen and Somalia amid regional diplomatic developments

(lm) Pakistan and Egypt held a telephone discussion at the foreign minister level on regional developments, with a focus on the situations in Somalia and Yemen.

Specifically, the discussion took place against the backdrop of Israel's recent decision to recognize Somaliland, a self-declared region that broke away from Somalia in 1991 but has not been recognized by any United Nations member state. Pakistan publicly condemned the move and aligned itself with the Organization of Islamic Cooperation and other Arab and Islamic states in opposing what it described as a violation of international law and Somalia's sovereignty and territorial integrity. Somalia's federal government has rejected the recognition, and the African Union has reiterated its opposition to unilateral recognition of breakaway regions.

On Yemen, Pakistan reiterated its support for diplomatic efforts aimed at ending the conflict, following a recent agreement between the Houthi group and the Yemeni government to exchange nearly 3,000 prisoners. Islamabad emphasized the need to uphold Yemen's unity and territorial integrity and urged Yemeni stakeholders to avoid unilateral actions and pursue an inclusive, negotiated political settlement. [Arab News]

Philippines accuses China of 'piracy' as South China Sea tensions flare

(ms) The Philippines has accused China of engaging in "piracy" in the South China Sea, following a recent confrontation at the Second Thomas Shoal, in the latest escalation across the disputed waterway.

Philippine defense officials said Chinese personnel boarded a Filipino vessel at the shoal – a long-running flashpoint – using weapons including knives and spears, injuring crew members and seizing military equipment. Manila said the incident violated international law and highlighted growing risks to navigation and security in the area. China has rejected

the accusation, saying its actions were lawful and taken within its jurisdiction. [Maritime Fair Trade]

The incident comes amid a cluster of developments underscoring heightened frictions. Days earlier, China opened a new shopping center on Woody Island in the Paracel Islands, reinforcing its civilian footprint on territory also claimed by Vietnam and Taiwan.

The 6,000-square-metre Sansha City Commercial Centre is the latest civilian facility on the island China calls Yongxing, following a hardware store opened in 2024 and a hotpot restaurant in 2023. Woody Island serves as the administrative hub of Sansha, a city established in 2012 to oversee China's claimed features in the South China Sea. [South China Morning Post 1]

In another development, Chinese state media released footage showing a Chinese navy vessel rescuing a Filipino fisherman stranded for several days near Scarborough Shoal, known in China as Huangyan Island. The crew provided food and water before alerting the Philippine Coast Guard to carry out the recovery.

Beijing has also published a government report on Scarborough Shoal, asserting that its coral reef ecosystem remains in good condition while blaming "illegal fishing and frequent intrusive activities" by the Philippines for ecological risks. Manila has disputed such claims in the past.

The Philippines, backed by a 2016 international arbitration ruling rejected by China, says Beijing's actions undermine a rules-based order. China maintains its construction, patrols and law-enforcement activities are lawful and defensive. With diplomatic positions hardening, analysts say the recent sequence of incidents highlights how quickly civilian development, environmental claims and maritime confrontations are intersecting in the South China Sea. [CGTV] [South China Morning Post]

Malaysia, Singapore step up maritime cybersecurity cooperation

(ms) Malaysia and Singapore are expanding cooperation on maritime cybersecurity as rising digital threats expose vulnerabilities across shipping, port logistics and undersea communications infrastructure, officials and analysts said.

The move comes as cyber risks in the maritime sector increase globally. A 2025 study by the Achilles Network found that 28 per cent of maritime suppliers worldwide faced high or very high cyber risk levels, highlighting growing exposure across complex supply chains.

The two countries, which sit astride some of the world's busiest sea lanes, have a long history of maritime security cooperation, including through the Malacca Strait Patrols. Originally focused on piracy, the framework has increasingly incorporated information sharing and coordinated responses to non-traditional threats, including cyber incidents.

Cybersecurity risks to undersea cables have become a particular concern. The Center for Strategic and International Studies has identified Singapore as a key global hub for subsea fibre-optic cables that carry more than 95 per cent of international data traffic, making disruptions potentially far-reaching.

In December 2024, Singapore's Maritime and Port Authority of Singapore and Malaysian shipping firm MISC Berhad signed a three-year agreement to test maritime cybersecurity solutions and enhance cross-border data sharing. The partnership also covers training, artificial intelligence applications and the use of semi-autonomous vessels.

The initiative builds on a 2023 bilateral agreement on cybersecurity and data protection and follows annual high-level meetings hosted at the ASEAN-Singapore Cybersecurity Centre of Excellence. [Indo-Pacific Defense Forum]

South Korean President Lee to meet China's leader Xi

(co) South Korean President Lee Jae Myung will visit China this week from January 4–7 for his first trip there since taking office in June, aiming to strengthen bilateral ties and discuss concrete cooperation on supply chains, technology, and regional geopolitical issues with President Xi Jinping. The visit follows Lee's previous appeal to Xi to support renewed dialogue with North Korea, highlighting China's role as Pyongyang's key ally.

Economically, China remains South Korea's largest trading partner, critical for stabilizing supply chains and technology sectors, including electric vehicles and AI, though Seoul is concerned about China's rare earth export controls.

Lee will also visit Shanghai to promote start-up cooperation. [The Korea Herald] [Reuters]

South Korea, U.S. to launch talks on expanding nuclear autonomy and submarine cooperation

(dql) South Korea and the United States are preparing to launch working-level talks early next year on expanding Seoul's autonomy in sensitive nuclear-related areas — including uranium enrichment, spent fuel reprocessing, and the development of nuclear-powered attack submarines. According to National Security Adviser Wi Sung-lac, a U.S. delegation will visit Seoul to discuss each issue listed in the bilateral fact sheet signed in November, with both sides expected to set a review timeline later in the year. Wi urged swift coordination ahead of the U.S. midterm elections.

Because current US-South Korea nuclear cooperation rules restrict military use of nuclear material, Wi said South Korea will seek a separate agreement to permit nuclear-powered submarines, modeled on the exemption framework used in Australia's AUKUS procurement. He reassured that Seoul's plans would remain within non-proliferation commitments and avoid fuel enriched to 20 percent or higher. [The Korea Herald]

Uranium enriched to 20 percent or higher is considered high-enriched uranium (HEU), which is much closer — in technical effort — to weapons-grade material and therefore raises stronger proliferation concerns.

Meanwhile, South Korea appointed Ambassador Rim Kap-soo, currently serving in Romania and recognized for his expertise in nuclear non-proliferation, as the country's chief negotiator for upcoming talks. Rim will lead a new government task force on nuclear cooperation, formed under the foreign ministry.

Rim's selection — backed by his prior experience at the International Atomic Energy Agency — is seen as a signal that Seoul intends to strengthen its nuclear technology autonomy while framing the initiative firmly within international non-proliferation rules, amid lingering U.S. concerns that such capabilities could carry proliferation risks. [The Korea Times]

South Korea's defense drills around disputed Dokdo islets prompt Japan's protest

(co) South Korea conducted defense drills near the easternmost islets of Dokdo earlier last week, marking the second such exercise under President Lee Jae Myung who assumed office in June.

Japan protested the drills through diplomatic channels, as Dokdo— known in Japan as Takeshima—remains a longstanding source of tension despite South Korea's effective control of the islets since the end of Japanese colonial rule. [Yonhap News Agency]

Poland, South Korea launch program to co-produce medium-range missiles

(dql) Poland signed a EUR 3.3 billion (USD 3.9 billion) defense agreement with South Korea to jointly produce more than 10,000 CGR-080 precision-guided missiles for its Homar-K rocket systems, including the creation of a joint production facility in Gorzów Wielkopolski and significant technology transfer to expand local manufacturing. Deliveries are scheduled for 2030–2033.

The missiles will be supplied through South Korea's Hanwha Aerospace as part of a broader series of Polish-Korean defense contracts since 2022, covering rocket launchers, artillery, tanks and aircraft. Warsaw sees the project as strengthening defense self-reliance and positioning Poland as a potential regional hub for Chunmoo-compatible munitions.

The deal deepens Poland's strategic partnership with South Korea, enhances Seoul's role as a rising arms exporter in Europe, and contributes to NATO-side rearmament and industrial diversification following Russia's war in Ukraine. [Anadolu Ajansı] [The Korea Herald] [POLITICO]

Sri Lanka-Israel MoU signed to expand overseas employment

(lm) Sri Lanka and Israel have signed a memorandum of understanding to expand recruitment of Sri Lankan workers, following a bilateral technical review meeting held in Israel on December 22. The meeting reviewed progress under existing bilateral recruitment arrangements and assessed implementation across six

sectors currently open to Sri Lankan workers: home-based caregiving, agriculture, construction, hotels and housekeeping, manufacturing, and restaurant services. Both sides discussed options to increase the volume of placements in the coming years. [Daily Mirror]

Japan, Taiwan step up political and economic engagement as both sides seek to deepen bilateral ties

(dql) Efforts of strengthen Taiwan–Japan relations have intensified in the past week, as President Lai Ching-te met several senior Japanese lawmakers in Taipei last week, including ruling Liberal Democratic Party (LDP) executive acting secretary-general Hagiuda Koichi; House of Representatives member and former Minister of Justice Keisuke Suzuki; and former foreign minister Kono Taro. [Office of the President, Taiwan 1] [Office of the President, Taiwan 2] [Office of the President, Taiwan 3]

Hagiuda described current relations as the strongest to date, with parliamentary exchanges surging and multiple LDP delegations visiting Taiwan in recent months. Lai emphasized cooperation in advancing a "free and open Indo-Pacific," expanding collaboration beyond semiconductors into materials, equipment, precision manufacturing, and emerging technologies, while highlighting new digital trade and AI initiatives.

He also urged Japan to support Taiwan's bid to join the CPTPP and to work toward a future Economic Partnership Agreement.

Tokyo's visiting politicians reiterated support for stability in the Taiwan Strait and praised closer people-to-people, trade, and disaster-prevention cooperation, as well as Taiwan's easing of import restrictions on Japanese food. [Taiwan News 1] [Taiwan News 2] [Focus Taiwan]

The growing exchanges have drawn sharp criticism from Beijing, which summoned Japan's ambassador and condemned the visits amid heightend China–Japan tensions over Taiwan following Prime Minister Sanae Takaichi's parliamentary remarks on November 7 in which she suggested an attack on Taiwan could constitute a "survival-threatening situation" for Japan, possibly involving its defense forces. [SCMP]

Taiwan keeps door open as Honduras election winner advocates reviving diplomatic relations

(dql) Taiwan's Ministry of Foreign Affairs has affirmed that it would keep a flexible and pragmatic stance toward possible future engagement with Honduras after president-elect Nasry Asfura — who campaigned on restoring diplomatic ties with Taipei — was announced the winner of the country's closely fought election last week.

While urging Asfura to prioritize policies that benefit Hondurans, the ministry avoided commenting directly on whether relations might be re-established following Honduras' 2023 switch of recognition to Beijing.

Asfura, who is backed by U.S. President Trump, and rival candidate Salvador Nasralla had both advocated reviving links with Taiwan, arguing it would better support economic development, particularly after Honduras' aquaculture sector suffered steep export losses since ties were cut. Asfura has promoted cooperation with Taiwan, the U.S., and Israel as part of his economic strategy. [Focus Taiwan] [The New York Times]

Honduras' reconsideration of its 2023 diplomatic shift to Beijing is driven less by ideology than by unmet economic expectations. Promises of investment, faster development, and expanded access to Chinese markets have largely failed to materialize, with slow-moving projects and export barriers undermining anticipated gains. The aquaculture sector — especially shrimp producers — has been hit hard by the loss of Taiwanese support and market access, leading to job losses and economic strain in coastal communities. [Ketagalan Media]

The political situation remains unsettled, however, as Nasralla and the ruling party's congressional leader have challenged the election outcome. [Plensa Latina]

Cambodia-Thailand conditional ceasefire enters verification phase amid China-led diplomacy

(lm/bk/dql) China has moved to stabilize a fragile ceasefire between Thailand and Cambodia after hosting trilateral talks in Yunnan province on December 29, positioning itself as a diplomatic facilitator following weeks of deadly border fighting

and early signs that a newly agreed truce was under strain.

Following meetings with Thai and Cambodian counterparts, Chinese Foreign Minister Wang Yi said the discussions were “constructive” and produced consensus on consolidating the ceasefire, rebuilding political trust, and preventing a renewed outbreak of hostilities. Beijing said it stood ready to assist with ceasefire monitoring, humanitarian relief, and mine clearance, underscoring its interest in regional stability along a volatile ASEAN border.

Thailand’s Foreign Minister Sihasak Phuangketkeow described the talks as moving “in a positive direction,” while Cambodian Foreign Minister Prak Sokhonn said the ceasefire should create conditions for resolving longer-term disputes. A joint Chinese statement emphasized that the truce was “hard won” and must not be allowed to collapse. [Al Jazeera]

China’s involvement followed mounting tensions after Thailand accused Cambodia of violating the ceasefire by flying more than 250 drones over Thai-controlled territory shortly after the truce took effect. The Thai military described the alleged drone activity as a provocation and warned it could reconsider the planned release of 18 Cambodian soldiers captured during the fighting. [BBC] [The Nation]

Before China stepped in, Thailand and Cambodia had agreed on a bilateral, military-to-military ceasefire on December 27 during a special meeting of the Thai–Cambodian General Border Committee, the primary coordination mechanism between the two armed forces. The ceasefire took effect at noon the same day and included a 72-hour observation period.

Under the agreement, both sides committed to halting all military operations simultaneously, freezing troop positions, refraining from reinforcements, and avoiding provocations. ASEAN-linked monitoring mechanisms and local border coordination bodies were tasked with observing compliance. Thai authorities indicated that displaced civilians could begin returning home gradually once conditions allowed. [Bangkok Post 1]

The ceasefire follows fighting that, according to official figures from both sides, resulted in significant casualties and displacement. Thai and Cambodian authorities have reported more than 100 fatalities combined and the displacement of several hundred thousand civilians living in border provinces, including Surin, Si Sa Ket, Sa Kaeo, Buri Ram, and Oddar Meanchey. Since the truce took effect, some displaced

residents have begun returning home, while temporary shelters remain operational as a precaution.

Prior to the ceasefire, Thai forces reported gaining control of several villages along the border, including Ban Khlong Phaeng and Ban Nong Ya Kaeo in Sa Kaeo province. Thai military units also reported seizing explosive devices and landmines allegedly left behind by Cambodian forces. Clashes continued intermittently in other locations until shortly before the truce took effect. [Bangkok Post 2]

Despite the ceasefire, security risks remain significant. Thai authorities report continued contamination of contested border areas with landmines and unexploded ordnance. Multiple Thai soldiers were injured in landmine incidents shortly before and after the ceasefire took effect, including cases in Si Sa Ket and Surin provinces. Since July 2025, Thai officials say at least ten Thai soldiers have lost limbs due to PMN-2 anti-personnel landmines, with more than twenty injured overall. [Bangkok Post 3] [Bangkok Post 4]

Laos and Thailand inaugurate fifth cross-border friendship bridge

(lm) Thailand and Laos have welcomed the inauguration of the Fifth Thai–Lao Friendship Bridge, a new cross-border bridge linking Bueng Kan province in northeastern Thailand with Bolikhamsai province in central Laos.

At Government House, Thailand's prime minister and interior minister met the newly appointed Lao ambassador, with both sides underscoring the bridge's role as a practical symbol of long-standing bilateral cooperation. Officials said the new crossing is expected to strengthen regional connectivity, facilitate trade and mobility, and support local economic development along the Mekong corridor.

Thailand also reaffirmed its support for Laos's policy of transitioning from a land-locked to a land-linked country, and signaled interest in further joint infrastructure projects, including progress toward a future Mekong railway bridge linking Nong Khai and Vientiane. [Bangkok Post]

China and Vietnam conduct joint border patrol to strengthen security and

cooperation

(hn) On December 25, Vietnam's Lai Châu Border Guard and China's Honghe Border Management Detachment and Jinshuihe Immigration Inspection Station carried out a joint border patrol, led by the Chinese side under a rotational mechanism.

The two sides set up a joint command and deployed multiple patrol and liaison teams to patrol the border from Marker No. 29 to Marker No. 71. The patrol lasted seven hours and involved 48 personnel, six vehicles, 12 on-site meetings, outreach to 300 residents, distribution of 300 information leaflets, and patrols covering 150 km.

After the patrol, both sides reviewed the results and exchanged information on recent border developments. They agreed to strengthen coordination, jointly combat cross-border crimes, improve rapid handover mechanisms, maintain border security, facilitate border gate clearance, and enhance friendly exchanges and cooperation.

The two sides also committed to maintaining regular information sharing via correspondence and hotlines, increasing patrols and law enforcement against illegal entry, human trafficking, and smuggling, and improving legal awareness among border residents to help reduce violations. [Vietnamnews] [Vietnam]

Defense cooperation between Cambodia and Vietnam sees positive progress

(hn) On December 23, Deputy Chief of the General Staff of the Vietnam People's Army, Sen. Lt. Gen. Phùng Sĩ Tấn, praised the recent positive development in defense cooperation between Vietnam and Cambodia during a meeting in Hà Nội with Gen. Phorn Nara, Secretary General of Cambodia's CBRNE authority. The meeting took place under the 2015 defense cooperation plan between the two countries.

Tấn highlighted achievements such as high-level delegation exchanges, effective dialogue mechanisms, border security collaboration, public education, search and repatriation of fallen soldiers' remains, and mutual support at multilateral forums. He also emphasized the success of the second Vietnam–Cambodia border defense friendship exchange in promoting peace and development along the shared border.

Gen. Phorn Nara conveyed greetings from Cambodia's Defense Minister and updated the Vietnamese side on

his discussions with the VPA's Chemical Corps. Both sides agreed to strengthen cooperation in chemical defense, expertise exchange, and advising military leaders, with Vietnam pledging continued support to deepen bilateral defense ties. [Vietnamnews] [Vietnamplus]

Defense ties between Vietnam and Azerbaijan strengthened in Hanoi talks

(hn) Vietnam's Defense Minister Gen. Phan Van Giang met with Azerbaijan's Minister of Defense Industry Vugar Mustafayev in Hanoi on December 25. Giang reaffirmed Vietnam's commitment to strengthening its traditional friendship and Strategic Partnership with Azerbaijan, acknowledging Azerbaijan's past support during Vietnam's struggle for independence and its ongoing development.

Both sides noted positive progress in defense cooperation, especially in defense industry collaboration, delegation exchanges, and participation in international defense exhibitions. Giang proposed further expanding cooperation through new defense industry agreements, stronger technology collaboration, military trade, and personnel training. He also invited Azerbaijan to attend and showcase products at Vietnam's International Defense Expo in 2026.

Mustafayev emphasized Azerbaijan's willingness to deepen cooperation in defense industry and other mutually beneficial areas to advance the overall bilateral relationship. [Vietnamplus] [Vietnamlawmagazine]

Vietnam hopes for a better information coordination relationship with Russia

(ln) On December 25, Vietnamese Ambassador to Russia, Đặng Minh Khôi, expressed the importance of information coordination with foreign partners for Vietnam at a working session with leaders of Russian media group Rossiya Segodnya, owned by Russia's government. He demonstrated Vietnam's hopes for more comprehensive information about Vietnam in Russia to reflect the bilateral relationship between the countries.

Ambassador Đặng acknowledged the bilateral relationship between Vietnam and Russia have entered

a new phase with bilateral trade turnover is predicted to grow with the countries' nuclear power project and cooperation in tourism. Russia also hosts bureaus for four of Vietnam's biggest national media agencies. Director General of Rossiya Segodnya, Dmitry Kiselev, reaffirmed Russia's cooperation efforts for information coordination with Vietnam, signing cooperation agreements with the Vietnam News Agency (VNA) and the Voice of Vietnam (VOV). VNA journalists have the opportunities to attend training courses conducted by Rossiya Segodnya each year, enabling equal reporting exchanges in each country. [Vietnamnews]

Announcements

Recent Book Releases

Rachel Myrick, ***Polarization and International Politics: How Extreme Partisanship Threatens Global Stability***, Princeton University Press, 376 pages, published September 16, 2025. For a review, see [Foreign Affairs].

Richard Reid, ***The African Revolution: A History of the Long Nineteenth Century***, Princeton University Press, 432 pages, published January 28, 2025. For a review, see [Foreign Affairs].

Calls

The **Swiss Society for African Studies (SGAS/SSEA)** and the **Association for African Studies in Germany e.V. (VAD)** invites paper proposals for their conference "African Perspectives on Global Treansformations," scheduled for August 26-28, 2026. The deadline for abstract submission is January 11, 2026. For more information, see [African Perspectives].

The **Oxford Programme in Asian Laws (OPAL) of the University of Oxford and the Faculty of Law, Thammasat University**, invite paper proposals for the ***3rd International Forum on Asian Laws: "Identity of Asian Laws,"*** to be held on July 30-31 at Thammasat University. The deadline for abstract submission is January 15, 2026. For more information, see [University of Oxford].

Jobs and Positions

The **Office of the United Nations High Commissioner for Human Rights (OHCHR)** seeks an **Associate Human Rights Officer** (Capacity-building). Applications will be accepted until the position is filled. For more information, see [OHCHR].

The **International Organization for Migration (IOM)** seeks a **National Displacement Consultant.** The deadline for application submission is January 7, 2026. For more information, see [IOM].

The **International Labour Organization (ILO)** seeks a **Project Manager.** The deadline for application submission is January 10, 2026. For more information, see [ILO].

The **Food and Agriculture Organization (FAO)** seeks **Project Coordinator**. The deadline for application submission is January 14, 2026. For more information, see [FAO].

The **International Monetary Fund (IMF)** seeks a 2025 Research Analyst. The deadline for application submission is December 31, 2025. For more information, see [IMF].

The **World Bank** seeks an **Operations Analyst**. The deadline for application submission is January 9, 2026. For more information, see [World Bank].

The **Center for Strategic and International Studies (CSIS)** seeks a **Research Assistant – Aerospace Security Project**. Applications will be accepted until the position is filled. For more information, see [CSIS].

Team:

Aika Sagheer (as), Alex Bushnell (ab), Amy Carlotti Lu (acl), Apolinarion AJ Schramm (ajs), Aung Naing Lin (anl), Ashley

Teh Hui Ying (ay), Azra Selvi Kapu (ask), Busawan Kachonnarongvanish (bk), Christopher Ocker (co), Dániel Babcsán (dnb), Duc Quang Ly (dql), Edda Árnadóttir (ea), Elif Cagatay (ec), Felix Serna Calvo (fs), Gemelee Hirang Domnik (ghd), Grey Pilarczyk (gp), Hoa Khanh Ngo (hn), Henning Glaser (hg), Linh Nguyen (ln), Lucas Meier (lm), Marina Martinez Lopez (mml), Marcus Irving (mi), Michel Schuh (mis), Morten Strantzen (ms), Muhammed Yulmaz (my), Myat Sandar Zaw (msz), Nat Ng Ther Li (nl), Po Po Myint Shein (ppms), Savannah Morris (sm), Sibghat Ullah (su), Sreepreya Srinivasan (ss), Thoon Nadi Lynn (tl), Venus Phuangkom, Yamonyongyos Anankajeerapong (ya), Yeo Hui Qi (yq), Yi-Chen Lin (yl)

We would greatly appreciate your feedback! Please send any feedback you have regarding this newsletter to: info@cpg-online.de

Also, don't forget to Like CPG on Facebook, and browse our *website* for other updates and news!

German-Southeast Asian Center of Excellence for Public Policy and Good Governance - CPG
Room 207, Faculty of Law, Thammasat University, 2 Prachan Road, Bangkok 10200, Thailand

www.cpg-online.de
www.facebook.com/cpgtu

Preferences | Unsubscribe